



The Yukon Legislative Assembly

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HANSARD

Wednesday, March 31, 1982 — 1:30 p.m.

Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

SPEAKER — Honourable Donald Taylor, MLA, Watson Lake

DEPUTY SPEAKER — Grafton Njootli, MLA, Old Crow

CABINET MINISTERS

NAME	CONSTITUENCY	PORTFOLIO
Hon. Chris Pearson	Whitehorse Riverdale North	Government House Leader — responsible for Executive Council Office, Public Service Commission, Land Claims and Intergovernmental Relations.
Hon. Dan Lang	Whitehorse Porter Creek East	Minister responsible for Renewable Resources, Tourism and Economic Development.
Hon. Geoffrey Lattin	Whitehorse North Centre	Minister responsible for Municipal and Community Affairs, Highways and Public Works, Yukon Housing Corporation and Yukon Liquor Corporation
Hon. Meg McCall	Klondike	Minister responsible for Health and Human Resources, Education and Heritage & Cultural Resources
Hon. Howard Tracey	Tatchun	Minister responsible for Justice, Consumer and Corporate Affairs, Government Services and Workers' Compensation Board.

GOVERNMENT MEMBERS

(Progressive Conservative)

Al Falle	Hootalinqua
Robert Fleming	Campbell
Doug Graham	Whitehorse Porter Creek West
Peter Hanson	Mayo
Grafton Njootli	Old Crow
Donald Taylor	Watson Lake

Clerk of the Assembly
Clerk Assistant (Legislative)
Clerk Assistant (Administrative)
Sergeant-at-Arms
Hansard Administrator

OPPOSITION MEMBERS

(New Democratic Party)

Tony Penikett	Whitehorse West
Maurice Byblow	Faro
Roger Kimmerly	Whitehorse South Centre

(Liberal)

Ron Veale	Whitehorse Riverdale South
Alice P. McGulre	Kluane

Patrick L. Michael
Missy Follwell
Jane Steele
G.I. Cameron
Dave Robertson

⁰¹ **Whitehorse, Yukon**
Wednesday, March 31, 1982

Mr. Speaker: I will now call this House to Order. We will proceed at this time with Prayers.

Prayers

DAILY ROUTINE

TABLING OF RETURNS OR DOCUMENTS

Hon. Mr. Lang: I have for tabling the Yukon Resident Hunters Opinion Survey, 1981.

Mr. Speaker: Are there any Reports of Committees?

PRESENTING REPORTS OF COMMITTEES

Mr. Penikett: I have the honour to present the Third Report of the Standing Committee on Public Accounts.

Mr. Speaker: Are there any Petitions?

Reading and Receiving of Petitions?

Introduction of Bills?

Notices of Motion for the Production of Papers?

Are there any Notices of Motion?

NOTICES OF MOTION

Mr. Penikett: I move, seconded by the Member for Mayo that the Third Report of the Standing Committee on Public Accounts, presented to the House on March 31, 1982, be concurred in. That is notice.

Mr. Speaker: Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Hon. Mrs. McCall: On April 23, 1982, the F.H. Collins Secondary School is holding a Career Day. This Career Day is held every second year and it provides an opportunity for students and the public to receive firsthand information about careers and training institutions. In addition to a whole host of displays, there will be classroom presentations in the morning at 9:00, 10:00 and 11:00. Also, in the afternoon, are informal sessions planned, at which time participants will be encouraged to pursue for specific information with the various representatives.

All secondary schools in Yukon have been invited to attend and the department will be assisting the rural high schools with transportation costs. At this time, there are ten universities or colleges confirmed to have representatives present. Also, there are 54 industries confirmed to be in attendance. Some of the industries that will be available for presentation, discussion represents such careers as diverse as banking, RCMP, firemen, dentistry, veterinary medicine and hotel management.

⁰² It is very encouraging to see this on-going program once again taking place and a special thank you should be extended to those people who are taking the time to explain their professions to the students. This is truly an investment in our youth and Yukon's future.

Mr. Byblow: I, too, can confirm how encouraging it is to see this program taking place. I can recall having first participated in this type of program when I was a classroom teacher a number of years ago. Having participated in this kind of program, then, and more recently from the Public Careers' point of view, I certainly have a deep appreciation for the benefit of such a program. I would support even further such encouragement. I think my Party and I have always been advocates of a realistic approach to education with a community orientation. Certainly a vocational thrust to education is a growing demand in society. I think this effort, as the Minister has outlined, even though it only lays out potential post-secondary opportunities, is something that could wisely be developed even earlier in the high school program of students. I think the original concept of career days was where students actually participated in the work force, in business

and in the professions for a period of time in the course of a year. I have no hesitation in complimenting this Government for supporting this modified career days approach. No harm can come by pursuing it even further.

⁰³ **Mr. Veale:** I welcome the Statement by the Minister. Career days is an excellent opportunity for direct contact between students, the Government, industry and university representatives. I would also say that considering that we are facing an election this year, some of the Members opposite may wish to attend on that day in case there is going to be a career change.

Hon. Mr. Lattin: I am pleased to advise the House that the long awaited transfer of recreation cottage lots has finally been concluded by Ottawa within the last few hours.

Under this transfer agreement some 850 federal cottage lot leases are now under the administration and control of the Yukon Government. This follows the already announced transfer of 95 lots at Tagish.

This Government has been working on this transfer for several years and we believe it is an important step forward in the growing responsibility of the Yukon Government. We have always maintained that programs, such as cottage lot programs, are more appropriately a local responsibility. I am pleased that the Federal Government has concurred with that view and taken the necessary steps to implement it.

Yukoners will be pleased that this Government has recognized the desire of people to own land, that we have passed regulations enabling us to offer leases, the opportunity to purchase these lots at the attractive price of 29 percent of the assessed value, and that now at long last we are in a position to make the sale offers. Over the next several weeks as the federal lease files are integrated into our land system, my land officials will write all leases finalizing sales agreements.

⁰⁴ **Mr. Penikett:** We think this is a fine statement and we are sure the beneficiaries will thank the Governments in Ottawa and Whitehorse.

Mr. Veale: I would like to compliment the Minister on his diligence in pursuing this because the policy will, no doubt, result in increased revenue to this Government — and we know that that is badly needed — but will also allow the individuals out there, who have been holding off improvements on their cabins or cottages, to proceed with those with the security that they are going to have full title to the property.

QUESTION PERIOD

Question re: Chip-seal program

Mr. Penikett: I have a question for the Minister of Municipal Affairs. Earlier this year the Minister announced a plan to chip-seal the roads in Yukon communities. There has been no indication of an operating program for the road bases prior to the application of the chip-seal and, as the Minister knows, experience in Faro and other places shows that the seal will deteriorate rapidly if the base is not properly prepared.

Could I then ask the Minister if he will elaborate on his department's plans for chip-sealing municipal roads and indicate whether the road base will be upgraded in each case first?

Hon. Mr. Lattin: Yes, we are certainly cognizant of the fact that the efficiency of chip-seal is determined, to a large extent, by the preparation of the base, and it would be ill-advised to go ahead and chip-seal for the sake of chip-sealing. We will address all the problems and see that we do a very good job of it, to the best of our abilities.

⁰⁵ **Mr. Penikett:** I thank the Minister for his answer.

I wonder if he could be, however, a little more precise in answer to this supplementary. His announcement stated that municipal roads will be treated with chip-seal by the highway crews in the general area of the given town. I would like to ask the Government if it has developed a more precise plan than simply sealing on the basis of the availability of crews? What work will go on first?

Hon. Mr. Lattin: As I just finished indicating, we will definitely do the base treatment first.

This is a project that we are doing with the full information of the communities that are concerned. The other thing that we have to take into consideration is the machinery that we operate to do this chip-seal,

of which there are only a couple in the Yukon, for the sake of wise expenditure of money we will consult with the local municipalities, and we will program our chip-sealing so that we can have the equipment in that vicinity. Before we do any of that we would do the preparation first.

There is one thing on chip-seal that I might add. There is a different sub-base on chip-seal than there is for a gravel road. When we do it, we will have to put that extra surface on and then continue with the chip-seal. At all times we are letting the municipalities that will be concerned with it, and will be having the program done, informed on our plans.

Mr. Penikett: As the Minister knows, the chip-seal program, especially if it is carried out properly as described by the Minister, is quite expensive.

Can the Minister indicate now what cost sharing arrangements have been arranged between the Federal, Territorial and Municipal Governments, and how are the municipalities being involved in planning for the funding and implementation of the program?

Hon. Mr. Lattin: As far as I am aware, there is no cost sharing with Ottawa. It is something that we are working out with the municipalities. The final details are not completed. I can safely say that the Yukon Government will be the major contributor to the cost of these projects.

06 Question re: Yukon Housing Corporation

Mr. Veale: I have a question for the Minister responsible for Yukon Housing Corporation. On Monday, the Minister indicated that the owner of the Lewes Village complex has, I quote, "graciously donated" 600 to 700 square feet for use as daycare space. I am informed that the owner does not see it that way. Would the Minister confirm that the daycare space will be donated or does he have information that it is going to be sold by the owner to the Condominium Corporation?

Hon. Mr. Lattin: As I indicated the other day, and I have nothing contrary to change my mind, in my discussions with the owner of the project, he said that he was going to make this space available for this facility. Until I hear further, I have no doubt that his offer still stands.

Mr. Veale: As the Minister is now negotiating a new lease for the 24 Yukon Housing Corporation units, would the Minister consider making the agreement relating to daycare a part of that general agreement for the 24 units to ensure that it will come to pass?

Hon. Mr. Lattin: No, I do not think that could be part of the agreement because, if some of the rest of those suites are sold, that is a facility being provided in the building for all the occupancies of the building. I think it would be inappropriate for us to single out the 24 suites and make an agreement on that. I think it would be the opinion and desire of the owner to make that available to all the people. I would imagine there will be a board of people in the building, and they will want some input on how that particular facility would be operated.

Mr. Veale: Considering that the project is going to become a condominium and over time will reduce the rental units available in this city, and particularly the rental units available for Yukon Housing Corporation use, what steps is the Minister taking now to ensure that those units will be replaced?

Hon. Mr. Lattin: The other day I indicated that we are entering into an agreement for those 24 suites. If we have those 24 suites, and we have an agreement, we are not reducing the number of suites we will have for rent for the type of housing we are providing.

07 Question re: Carcross School

Mr. Byblow: I have received a lobby surrounding a couple of educational problems in Carcross. Apparently the Carcross/Tagish Indian Band has made several requests, including a Band Council Resolution to the Yukon Government for improvements to the Carcross Elementary School. Seemingly, the Carcross people want additional classroom space, office and library space, some specialized facilities for options and some furniture. Can the Minister say when these requests will be acted on by her department and, if no action is planned, what explanation will she provide?

Hon. Mrs. McCall: There are no definite plans to expand any facilities in Carcross at the present time. Improvements have been

made to the school, however. It was storage space and office space. Some were made last summer. With cultural courses, I know that extra money, I think around \$2,500, was allocated last Fall for such activities. That was another thing that they requested. So far, anything that we felt that we had led them to believe that we would do, we have done or will be doing. We have no plans to expand facilities, and some of the requests just were not possible financially.

Mr. Byblow: I thank the Minister for her answer and I will certainly be relaying the message back.

I also understand that the Band has been transporting Tagish students to the Carcross School, and have been refused financial assistance for this by the Yukon Government. Seemingly, again, the Yukon Government did operate its own bus service between Tagish and Carcross, for a short time, but did stop that service. Will the Minister explain her department's apparent unwillingness to support the busing of these Tagish students to Carcross or, at least, inform the House what action will be taken on that matter?

Hon. Mrs. McCall: I would be happy to do that. That trial bus run was for the month of December, 1980. It indicated that there were not sufficient students to warrant a bus. The Department of Education is continuing to pay the transportation subsidy to individual parents to a maximum of \$9.00 per day per family. This money may then be turned over to whomever transports their children. We have found that this is really as much as the people in Carcross warrant at the present time, as far as transportation is concerned.

Mr. Byblow: The Minister almost seems to have warning of my questions. Can the Minister, then, perhaps undertake to provide me with some approximation — not now but perhaps during Estimates debate on Education — on the amount of money the Yukon Government receives for Indian education from the Federal Government, and how this compares to the amount spent, by the Yukon Government, on Indian education? Just an undertaking to provide figures later.

Hon. Mrs. McCall: This Government does not distinguish between races. All children are treated the same way.

Question re: Residence Qualification Clause

Mrs. McGuire: I have a question today for the Government Leader. It is in reference to YTG's Residence Qualification Clause, as it pertains to the Foothills Pipeline Training Program, which only qualifies residents of Yukon before August 1977. This clause is most unsuitable to Foothills and Yukon residents of five years. I would like to ask the Government Leader, will he be updating that particular clause in the near future? Will he be moving that date up from August 1977, as the pipeline completion date is now 1987?

Hon. Mr. Pearson: Yes, we have already done that. Since the time that that particular agreement was entered into, the pipeline construction has slipped three years and we have amended that date a like three years.

Mrs. McGuire: What would that date be now?

Hon. Mr. Pearson: It follows. It was 1977 in the original agreement that was reached. It, of course, would be 1980 now.

Mrs. McGuire: Perhaps the Government Leader would inform the Foothills office of that change?

Mr. Speaker: Order, please. This is also an abuse of the Question Period by making statements of that sort.

Question re: Women's Bureau

Mr. Kimmerly: I have several questions for the Minister responsible for the Women's Bureau. In this House, on December 16, the then Minister responsible for the Women's Bureau identified a research project on the participation of women in the Yukon labour market. Is this project now complete and, if not, is there a target date?

Hon. Mrs. McCall: In assuming the responsibility for the Women's Bureau, which I was very, very happy to do, incidentally, the mandate has been changed in the last little while. Officially, the Women's Bureau does not become part of my department until April 1, but research projects will be one of the lesser responsibilities of the Women's Bureau. The profile of the Women's Bureau is going to be heightened altogether.

Mr. Kimmerly: I am not sure I understand the Minister's response to my question. I understand what she said. Is the study going

to be completed, or is it now complete?

Hon. Mrs. McCall: I do not know the status of that particular project. There were several projects going in the Women's Bureau. Any projects that are deemed to be something that falls within the present mandate of the Women's Bureau will be completed. There were other things that the Women's Bureau was doing that will not be completed by that department.

Mr. Kimmerly: The researcher who was doing the study is now, I believe, the present Women's Co-ordinator at the Vocational School. Are the preliminary questions previously studied going to affect the co-ordination of women's programs at the Vocational School?

Hon. Mrs. McCall: Yes, This is something that the Women's Bureau will have a mandate to do. They will be emphasizing courses aimed at women in the work force. This will be one of the very special mandates of that department.

Question re:

Mr. Penikett: I have a question for the Minister of Consumer and Corporate Affairs. In the last few months, several trailer owners in Northland Park, and others, have had problems with their trailers and appliances that were sold with those trailers. They have attempted to get satisfaction or compensation from the manufacturers through the terms of their warranties, but have had no success. I would like to ask the Minister if he could explain for the House what powers his department has in terms of enforcing those warranty issues, especially those issued by manufacturers outside the Territory, and has he directed the officials of his department to exercise those powers on behalf of the local residents?

Hon. Mr. Tracey: I would have to take the first part of that question under advisement. I would not want to mislead the House by making a statement that was not completely true. I will bring the answer tomorrow as to what powers we do have to enforce it.

I was driving into town from Carmacks today and I was listening to the major person involved — I guess, the manufacturer of those trailer units — and I heard him state on the radio today that there was no problem, that they would repair them. They would help their agent here, in Whitehorse, repair them. If any one did have a problem with their buildings, they should contact the sales dealership here in Whitehorse.

Mr. Penikett: Notwithstanding what the Minister heard on the radio this morning, that is exactly the problem I have. Several constituents have done that, who have contacted the local dealer on a number of occasions and they have done so without satisfaction. I would like to ask the Minister, in reference to the local dealership, whether the department has taken any action to enforce the terms of warranties in the relationship between the local dealers and the local consumers in this matter?

Hon. Mr. Tracey: As I stated in my last answer, I would have to take that under advisement. I do not know what the department has done about it. I am not aware of everything that goes on the department.

Mr. Penikett: I am sure that last statement comes as a surprise to everybody in the House. I would like to ask the Minister, since he has recently advertised the role of his department as mediator in such disputes, if he would be prepared to offer that service of his department, if, following the initiative and undertaking the owner some of the local people are still unable to obtain satisfaction on this score?

Hon. Mr. Tracey: Certainly, my department is quite willing and able to help anyone mediate a dispute. I am not even sure if my department has been informed that there is a dispute.

Question re: Wildlife Report

Mr. Falle: I have a question for the Minister in charge of Agriculture. Yesterday in the paper, there were headlines, "Cows and Cabages Threaten Wildlife - YTG Report". I would like to know if this myopic report represents in any way YTG's policy towards agriculture, and did YTG release this report?

Hon. Mr. Lang: There does not seem to be many problems in the areas of Tourism and Economic Development and Renewable Resources, in view of the number of questions being asked. I would like to direct this to the media. I noticed one of the radio stations this

morning said it was the policy of the department, although on the report that was released it states very specifically that this is the opinion of the author, and does not reflect the official opinion or policies of the Department of Renewable Resources or the Government of Yukon Territory. First of all, to the first part of the question, no, it is not the policy of the Department of Renewable Resources. The second part is, no, this is a draft report, it was not released by the department. There are people going through it, trying to sort out opinion versus fact. Once that is established, and I have the ability of bringing something forward to my Cabinet colleagues, I will, and then it will be made public.

Question re: Wildlife Report

Mr. Veale: On December 16 of 1981, the Minister stated and I quote, "with respect to the document entitled 'Towards a Future for Yukon Wildlife', I have not made it public at the present time. I understand some members have it in any case. I have no problem if there are copies available to table one in this House." Is there a copy available for the Minister to table in this House?

Hon. Mr. Lang: I do have a copy and, if you want me to table it, I will. Either that, or come up to my office. It is quite a heavy volume.

Mr. Veale: I am sure the exercise will not hurt if the Minister could bring it down and table it in this House and make it public. I recently tabled a document regarding wildlife management, that the Minister has referred to, and apparently it was not available for the Agricultural Board to review before submitting their policy. Why would the Minister not release the document, even in its preliminary stage, so that they could address the very real issues that were raised in it?

Hon. Mr. Lang: First of all, in the first part of his preamble to his question, I should point out that there is no question, I will have the exercise, and I will bring down the volume to be tabled. In respect to the volume before it, the reason I did not release it was, as I indicated, it is the opinion of the author, not that of the department. I felt that the department had a responsibility to go through it prior to any release, whether it be for public input through the Agricultural Development Council or prior to me taking it to my Cabinet colleagues. I did not want to give the false impression that it was departmental policy. I want to emphasize to the Member opposite, if he has comments to make about the document that is now before us, that perhaps he go and talk to the author about it.

Mr. Veale: Would the Minister advise if there any other ongoing research projects, reports or studies that the Minister will be making public to assist the agricultural people and this Assembly in coming to a policy formulation on agriculture in Yukon?

Hon. Mr. Lang: There is going to be a public meeting giving some further details in respect to agricultural land disposition. I would suggest there is going to be more work in the area of wildlife and the question of agriculture on an ongoing basis. I do not think it is a question of reports being tabled and then that being the end of the question. It is an ongoing administrative responsibility, both for the administration as well as the general public. It is a concern to all of us.

Question re: Lortie Report

Mr. Byblow: Just on the same subject to the same Minister. Could I inquire of the Minister whether or not the report being discussed, that is the Lortie Report, was, in fact, funded by his department?

Hon. Mr. Lang: It is my understanding that he was commissioned to do a certain amount of work, which he did and, as I indicated earlier, it was strictly his opinions along with the various facts involved with this particular Report. It is being analyzed at the present time.

Mr. Byblow: Considering that the Agriculture Development Council has had to make their recommendations on Agricultural Policy without access to this Report, and that the Department of Renewable Resources is, in fact, responsible both for wildlife and agriculture, can the Minister indicate by which process he now plans to have any conflicts between the two resolved?

Hon. Mr. Lang: It is going to be an ongoing exercise. It is a question of where people are involved in their agricultural endeavours, and each one will be, in turn, scrutinized in concert with the Wildlife

Branch, indicating to the Agriculture Development Council possible conflicts, if any. Conscious decisions will have to be made from there. It is going to be an ongoing thing. It is not going to be solved today, it is not going to be solved tomorrow. It is a question that will always be with us.

Mr. Byblow: The Minister made reference to an Agriculture Development Council public meeting next week, and that is correct. I understand that the Council will be delivering a number of guidelines for policy formulation and that a statement for discussion was to have been released by the Minister's department today. Is that correct? If not, when is that statement going to be made public?

Hon. Mr. Lang: My understanding is that it is today. I am sure that if the Member opposite has any trouble reading it, I would be more than happy to explain it to him.

Question re: Women's Bureau

Mr. Kimmerly: I have a question for the Minister responsible for the Women's Bureau. The Minister just spoke of a new mandate for the Women's Bureau, and talked about the Vocational School. I understand that the present Co-ordinator of Women's Programs at the Vocational School is, I believe, on a year's contract. Are there plans to make the position permanent, or add further positions?

Hon. Mrs. McGuire: The new mandate for the Women's Bureau will include assessing the needs for courses, and expanding upon the things that women require today in the Yukon. These will be part of the mandate.

Mr. Kimmerly: I wonder if the Minister can now give us a projection of what courses will be offered in the 1982-83 semesters of particular interest to women?

Hon. Mrs. McGuire: Not at the present time, but I welcome suggestions from women and from men, as well, for courses that would be useful and meaningful at this time.

Mr. Kimmerly: Following that answer, I would ask the Minister if there is an ongoing consultation process with such groups as the Yukon Indian Women's Association, the Victoria Faulkner Women's Centre and the Status of Women Council, on exactly those questions?

Hon. Mrs. McCall: One of the problems that I have seen with the Women's Bureau is that there was not enough outside consultation with women's groups. This is something that I want to strengthen and emphasize. The Women's Bureau has not had the chance to consult with groups or with individuals, and this is one of the real roles that they ought to be fulfilling, I think. We expect to see a number of changes.

Also, the Women's Bureau will be answering directly to the Deputy Minister.

Question re: Child Welfare League of America

Mrs. McGuire: I have a question for the Minister of Health and Human Resources.

On February first of this year, the Government issued a press release stating that Yukon's Department of Health and Human Resources had been approved for membership by the Child Welfare League of America. In light of this approval, I would like to ask if the Government has received the evaluation report, also mentioned in the press release, containing the recommendations and areas for improvement in the Yukon's Department of Health and Human Resources?

Hon. Mrs. McCall: Yes, we have that evaluation. We were very proud of our evaluation. We are only the second Government agency in Canada that has been recognized by this league. The first was Saskatchewan and we are the second. So we are very happy to have received this.

The recommendations — I think there were about two or three, there were not very many — but they were all very reasonable, and they were things that we had planned to include anyway and we will be implementing those recommendations.

Mrs. McGuire: Would it be the Minister's intentions to make the recommendations public or perhaps table it in the House for discussion?

Hon. Mrs. McCall: Yes, I have already made those recommendations public. I spoke on the radio about them and said that we would be

putting them into effect, but I can make them available for anyone who would like to see them.

Mrs. McGuire: What ongoing benefits will the department receive from being a member of the league? Will the department programs be reviewed on an ongoing basis?

Hon. Mrs. McCall: Benefits, I think, will be like being able to keep up with trends in child welfare, consultation, availability of research. We expect there will be a lot of benefits. We are very happy about this, it is something very nice that happened to the department.

Question re: Klondike Highway

Mr. Penikett: I have a question for the Minister of Highways. I would like to ask the Minister if he will be shortly announcing Klondike Highway road restrictions for later this spring? If so, can he indicate to the House the terms of these restrictions?

Hon. Mr. Lattin: We have, as you are aware, given notice that they could be imposed. Unfortunately, I do not have the clairvoyant powers to look into a crystal ball and say whether the roads will need it this year or whether they will not. It is something that we have to address as the situation arises. We are monitoring them very carefully with the technology that we have available. Beyond that I am unable to say how much it will be, when it will be, or if it will be.

Mr. Penikett: I would like to thank the Minister for his answer and share his view that he does have a little more foresight than some of his colleagues. On the question of that foresight, I would like to ask him if, given the current economic situation, he has obtained any assessment of the impact of a ban in terms of layoffs or temporary jobs lost to some of the major employers in the Territory?

Hon. Mr. Lattin: I am definitely aware of this. The road that gave us a problem last year, as you are aware, was the Klondike Highway. That would be the road that I would foresee probably giving us problem this year, but I can assure the House that we will not close those roads unless it is absolutely necessary. Due to the fact that Anvil will be closing down in July, it would seem that a lot of the truckers would be laid off at one period or the other, so we know that there probably will be a layoff. So, if the road is closed, I am sure that they will be able to pick up that haulage while the mine is closed down. As far as the major users of the highway, my information available now is that we will address that problem to the satisfaction of all concerned.

Mr. Penikett: It sounds like the Minister is in consultation or discussion about negotiating the scheduling of layoffs, if there are to be some.

Can he indicate to the House if the officials in his department have been considering alternatives to the kind of ban that we have had imposed in the past?

Hon. Mr. Lattin: Yes, we have considered all other methods of alleviating the damage of the highway. Up to this point there seems to be no other way than to restrict the load weights, if the highway is in a state where the load weights are going to damage them. If there were any other ways, I am sure my department would be looking at them. I feel that we would implement them. At this time, there are none that we are aware of.

Hon. Mrs. McCall: I have further answers to questions about Daycare Subsidies that the Honourable Member, Mr. Kimmerly, asked. He asked if I could give the number of cases of welfare mothers who are now assisted by the Government's Daycare Policy. At the time the Daycare Subsidy Program came into being last year, there were twelve families receiving assistance with their daycare costs via the Social Assistance Program. As of March 29, 1982, there are presently two fathers and five mothers who are receiving Social Assistance and subsidization for their daycare costs.

Another question was if I could tell the Member whether we were monitoring the current waiting list and needs for daycare centres around the Territory. There is no waiting list for applicants for Daycare Subsidy. Applications for subsidy are processed within the month received. If the term "waiting list" refers to people waiting to have their child enrolled in a daycare centre, the Yukon Daycare Services Board has reviewed, as of March 5, 1982, the situation regarding daycare spaces. As of that date, there were approximately 40 avail-

able, but unoccupied, spaces in licensed daycare facilities throughout Yukon. There is no problem of availability of daycare services.

Question re: Medicare

Mr. Veale: I have a question for the Minister of Health regarding Medicare. As the Minister is no doubt aware there are many Yukoners being sent outside for medical treatment from specialists that are encountering extra billing, which must be paid in advance. Will the Minister advise if it is the policy of this Government to compensate those people, when they return to the Yukon, for those extra billing payments that they make?

Hon. Mrs. McCall: The Yukon does not have extra billing, and will not be compensating for extra billing.

Mr. Veale: I have a constituent who was forced to make a payment on-the-spot before treatment was received and, it seems to me that this Government has...

Mr. Speaker: Order, please. The Honourable Member is now, again, making a speech.

Mr. Veale: I did not preface that with the proper question.

Mr. Speaker: Will the Honourable Member please get to his question.

Mr. Veale: Does this Government not agree that Yukoners who are being sent out should not be extra billed? In other words, sent to qualified specialists who do not extra bill, or that the Government should pick up the tab for them?

Hon. Mrs. McCall: I agree that it is probably going to become more and more of a question. I imagine that the physicians referring patients out will have to find people who are not extra billing, at the present time. This would be a wise thing on the part of the physicians. But the Government cannot govern that.

Mr. Veale: That was a matter that we discussed in debate last year. Would the Minister consider having a list compiled, both of Alberta and British Columbia, so that our doctors will know the difference in making a referral, and will not be required to do all that legwork to find out who does, and who does not?

Hon. Mrs. McCall: It is a possibility that could be explored.

Question re: Old Crow School

Mr. Byblow: My question is directed to the Government Leader. I have been receiving a number of enquiries surrounding the Old Crow School project. I want the Government Leader to realize that I am merely seeking information. Can the Government Leader confirm whether the original low tender bid has approximately doubled by the addition, now, of a number of changes to the contract? I understand the changes are attributed to the addition of things like a sprinkler system, cedar siding as opposed to the aluminum, and various other sundry things.

Hon. Mr. Pearson: I can say that the inclusion of the sprinkler system was something that was thought about and talked about long before this went to contract. I have not heard, nor have I been advised yet, of any large overruns in respect to this contract at all.

Mr. Byblow: Would the Government Leader be able to confirm whether the total cost of the contract, that is the supply of the facility, the erection and the road construction, is not expected to exceed \$2,000,000?

Hon. Mr. Pearson: No, I will not confirm that at all. We, in fact, have insurance on the building. It is at replacement cost. We intend to get a school in there at what, we hope, will be a reasonable cost because it is money that is going to have to be picked up by the insurance company. There are a number of things that have been negotiated with the contractors involved, in respect to those contracts, after they were awarded. These were things like a potential water system, a potential sprinkler system. There are a number of things that were not foreseen in the original contract, probably due to our haste in wanting to get this contract called and get it out, so that we could ensure that there would be school facilities in Old Crow, like the people of Old Crow wanted, by next September.

Mr. Byblow: Just a restatement of a similar question. Can the Government Leader confirm whether in the contract price of \$1,600,000, all of these contracts that are added to the original contract, will be included in that price?

Hon. Mr. Pearson: No. Once again, the Member has the capability of seeing the contract, seeing what was called and seeing what has been awarded. All he has to do is ask the questions in the proper place.

MOTIONS FOR THE PRODUCTION OF PAPERS

Mr. Clerk: Item No. 1, standing in the name of Mr. Kimmerly.

Mr. Kimmerly: Next sitting day.

Mr. Speaker: So ordered.

Mr. Clerk: Item No. 2, standing in the name of Mr. Kimmerly.

Mr. Kimmerly: Next sitting day.

Mr. Speaker: So ordered.

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Motion No. 2

Mr. Clerk: Item No. 1, standing in the name of Mr. Kimmerly.

Mr. Kimmerly: I move, seconded by the Member for Faro, that it is the opinion of this House that:

(a) section 245 of the *Motor Vehicles Ordinance* should be proclaimed in force, and

(b) section 247 of the *Motor Vehicles Ordinance* should be proclaimed in force.

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse South Centre, seconded by the Honourable Member for Faro that it is the opinion of this House that:

(a) section 245 of the *Motor Vehicles Ordinance* should be proclaimed in force, and

(b) section 247 of the *Motor Vehicles Ordinance* should be proclaimed in force.

Mr. Kimmerly: I wish to put this issue in some perspective at the very beginning, and to make reference to the questions that were previously asked on this subject in this Assembly.

First of all, on November 5, 1980, the then Minister of Justice was asked a question about this exact issue and he stated this — this occurs on page 577 of Hansard — "I would imagine that the reason these two sections have not yet come into force is simply due to the fact that the Government of Yukon has decided to stay with the judicial decisions handed down."

Secondly, on the 8th of April 1981, there was a question during the oral Question Period on exactly the same issue. It went to the Government Leader. He made a fairly long response, during which he challenged the asker of the question, the Member for Faro, to bring the matter to a motion in the House, and he said that, "I would be prepared to say that Members on this side would not be bound. In other words, I would consider it to be a free vote." He also said about the substantive issue, "Mr. Speaker, I personally, and I believe other Members on this side, feel that that Legislation would cause an undue hardship in the Territory, in that so many people have to drive. We feel that we should allow the judicial system some discretion."

The next time it was raised, in an oblique way in the oral Question Period, was on April 13, 1981, and the Minister of Health answered, "In many cases, the final conclusion is that much stiffer penalties are one of the greatest deterrents to drinking and driving." The most recent reference is on November 25, 1981, and the present Minister of Justice was asked a specific question on precisely the issue of this Motion, and he answered this way, "I can only reiterate that we are prepared to look at anything and, yes, we would be prepared to look at it. Whether we would bring it in is a different matter. We have grave doubts about that. There are very many dangers in bringing in something like that."

I wish to speak just very, very briefly about precisely what it is the Motion addresses, to put it into perspective for all Members. The present Section 245 and 247 of the *Motor Vehicles Ordinance* speaks of two issues. The first one, in Section 245, provides for a mandatory one-month suspension of the driver's licence for a convicted impaired driver. There is no provision for a restricted driver's licence, and if a convicted impaired driver receives a second, or a subsequent, conviction within a five year period there is a restriction for six months with no provision for a restricted licence. Section 247 is an entirely differ-

rent issue, although in the same general category of the quasi criminal law. It involves, not impaired driving, but, as in Section 233 of the Criminal Code, which is criminal negligence in the operation of a motor vehicle.

¹⁹ The law would provide that those convicted of criminal negligence would get a mandatory licence suspension of not less than six months.

There are two questions here. One is the substantive issue of what the law should be around licence suspensions and conditional licences, but I submit to this House that the primary issue now is a constitutional one. It is this: in 1977, this House passed a law and that law was substantially proclaimed — the entire *Motor Vehicles Ordinance*, which was a very lengthy document was proclaimed, except for two sections, section 245 and 247. The old law, contained in section 37 of the old *Motor Vehicles Ordinance*, was retained, or it continued to be in force.

In the old law, Section 37 of the old *Motor Vehicles Ordinance*, there was a provision for a convicting Judge to make a licence suspension of not less than one month, however, there was a wide discretionary power given as to restricted licences.

The effect of what occurred was, in 1977 the Legislature changed that law and subsequently the executive arm of Government, by an executive act, effectively amended the law through a technical procedure. What occurred was not illegal, in the technical or strict sense of the word illegal. However, it clearly went against the spirit of the law, and it clearly went against constitutional practice and constitutional tradition.

The Legislature passed a law in 1977, and from that time forward and to today a substantially different law is being enforced in this Territory.

What the executive arm of Government should have done, much earlier, is amend the existing law.

²⁰ They should have brought it back to this House for amendment and that was not done and it has now gone on for almost five years.

As a secondary issue on that constitutional principle, there is also the issue of the understandability of the law, or the right of the citizen to know the law. Under the law every citizen is presumed to know the law, however, it is very, very awkward to find out what the law is, and if a layman reads section 245 and 247 of the *Motor Vehicles Act*, as it is now called, he would get a false impression of what law is being enforced in the Yukon today.

On the secondary issue — and I submit on the issue of lesser importance — is the substantive question of what law is right, or what should the law be. This was addressed in the last Session around a private Members Bill, introduced by myself. During the debate on that Bill, I quoted from a Government study and I will quote two sentences to refresh the memory of all Members. This is a study called "Yukon Impaired Driving Study", and it is Phase 2 of the research program undertaken by the Government to study impaired driving, which, of course, is the most common and most frequent criminal offence committed in the Yukon Territory. I quote from page 62, "The analysis of conditional licences granted in 1979 shows that just over one-third of all impaired driving offenders actually receive a restricted licence." It goes on to talk about the characteristics of the people that were turned down for restricted licences and it says, "The main point of concern is that several of them", referring to restricted licensees, "were multi-time offenders and thus were potential problem drinkers." These are the individuals that should be kept off the road. Although their numbers are not great, it shows that the application process is not infallible and that some potentially dangerous drivers were being allowed to drive. Their numbers are not great.

²¹ More recently, the same study group has indicated that of convicted impaired drivers in Yukon, 87 percent of them have a serious, or potentially serious, alcohol abuse problems. It is clear that the system of allowing a discretion in this area is not catching some very serious problems, and one day somebody is going to be killed because of this, if that has not occurred already.

The main point of this Motion is to bring home a constitutional issue of very great importance. The Yukon Legislature has passed a law, the citizens of the Territory have the right to be governed by that law that was passed or the law ought to be amended. Until the law is amended, the law which we passed ought to be proclaimed in force.

Hon. Mr. Tracey: That was an interesting lecture we had from the Member across the floor. As the Member well knows — he was informed by the Government House Leader — we are bringing in amendments to the *Motor Vehicles Act*, and will deal with these two sections in the Ordinance, so I fail to understand why he wanted to get up and give us a lecture on it. The Members in the NDP often stand up in front of us as representatives of labour, and then I hear the Member speak about bringing in Section 245 of the *Motor Vehicles Ordinance*, which would virtually put anyone, especially a lot of the people who require their vehicles for work, off of the road and onto the welfare roles. I am not sure which side of the spectrum the Member would like to be represented on. We are bringing in amendments to the *Motor Vehicles Ordinance* that will deal with both of these Sections, and the Member knew it before he stood up to speak.

²² **Mr. Veale:** I am going to rise in support of the Motion simply to assure the Government that the intention of this Assembly is that those sections be proclaimed. I am not clear whether the Minister intends to actually do that or not. On the comment about working people, there is no doubt that mandatory suspensions are very difficult for working people. That does not prevent them from getting to work — they have to take a taxi. In other words, it is a deterrent. The risk of a human life, because you are driving around drunk, is far too serious a matter. If you are going to take that kind of risk and drive around, then you are going to have to pay for taxis to go to work. Some individuals may put themselves in a very difficult position, but it is really a question of human life that is at stake. I look forward to the amendments that the Minister is going to bring in.

Mr. Graham: I think it should be pointed out that it was not this Legislative Assembly, nor this Government, that brought in the original Sections 245 and 247. It was the former Legislature. We did not proclaim those sections at the time we came into power, probably because we did not believe that they were good law at the time. Perhaps it would have been a good idea at some point in time to bring those two sections back to this Legislature and have them debated. With regard to the legality, or of the Executive Committee of the time not proclaiming the sections into law was constitutionally correct or not, it scares me hearing that it could have been illegal, knowing the Honourable Member's track record on legal opinions for this House so far. It also kind of frightens me to see a former member of the Bench suggesting that this Legislative Assembly take away discretionary powers of members of that Bench. It has been my personal opinion that, with few exceptions, the members of the Bench are reasonable, fair men. I would hope the Minister of Justice and the Cabinet continue to appoint reasonable fairminded people to the Bench and also continue to give them the discretionary powers that they have today.

²³ **Hon. Mr. Pearson:** I thought that I had given the Member for Whitehorse South Centre a lesson in constitutional development the other day. I am going to give him another one now because he closed off his speech by saying that he raised this issue as a constitutional one. In doing so, he misled the House, and the people of the Territory, because the Legislature did not pass a law. A law is not a law until it is passed by the Legislature, and the Commissioner in Council is the Legislature. Until the Commissioner in Council assents to a bill, it is not law. That is all there is to it. That law has not existed. There was a bill passed in this House, just like we do. It is a fact of life that until it is assented to by the Commissioner, it is not law. For the Honourable Member to stand up now and say that we have not been enforcing a law that was passed by this House five years ago is very misleading. I do take exception to it.

Motion defeated

Motion No. 3

Mr. Speaker: Is the Honourable Member prepared to deal with Item No. 2?

Mr. Veale: Yes.

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse Riverdale South, seconded by the Honourable Member for Kluane that this Assembly is of the opinion that the Yukon Government should enforce the provisions of the *Landlord and Tenant Ordinance*, the *Consumer Protection Ordinance* and the *Fair Practices Ordinance*.

Mr. Veale: The Motion for the Yukon Government is to basically encourage the Government to provide the backup services to allow citizens to enforce breaches of the *Landlord and Tenant Ordinance*, the *Consumer Protection Ordinance* and the *Fair Practices Ordinance*. It is not to say that the Government should not be encouraged in the direction that it is proceeding now to provide advisory services and mediation services for consumers and for tenants. I think those steps are very positive. However, the Yukon Liberal Party feels that, just as this Government enforces the *Labour Standards Ordinance*, which is an extremely important piece of legislation, and very important that the worker does not have to go to legal expense himself, that by the same token, the Government should be providing the same service for tenants, consumers and people who may have been discriminated against.

The Government Leader has passed a note indicating that the Government does not have the authority to enforce them. I will be interested in his comments on that, because I am not aware of anything prohibiting the Government from actually providing a legal service to any person as a result of a breach of its Ordinance. If it in fact were prohibited from doing that, we could not have motor vehicle prosecutions or *Game Ordinance* prosecutions. In other words, I do not see the difference. If the Government Leader indicates that there is one, perhaps we could amend the Motion to deal with it, and put it in its proper perspective.

²⁴ One of the great problems, of course, occurs at the present time when there are economic difficulties, because tenants run into financial difficulties, and it is particularly important at this time that we have enforcement, so that landlords, for example, cannot terminate tenancy agreements simply by changing the locks, so that there cannot be racial discrimination in the letting of premises and in employment, so that there cannot be bad consumer practices that go unchallenged simply because the individual does not have the ability to pursue them in a court of law.

It is not just a question of helping individuals. It goes much beyond that. It affects all of us. Every time any individual in the Yukon is treated unfairly under the *Landlord and Tenant Ordinance*, or the *Consumer Protection Ordinance*, or the *Fair Practices Ordinance*, it really affects all of our lives, because that is a practice, if it is not challenged, that will happen again. It seems to me that there is nothing better than having those practices challenged. The expense is not all that great, to this extent: when you challenge it once, that is a deterrent to any other situation or offence that might occur. Basically, it is a very good investment and protects us all in the long term.

²⁵ **Mr. Kimmerly:** I will be relatively brief also. We will be supporting this Motion because of the very general way it is stated. I am sure it is the opinion of virtually every Yukoner that the laws ought to be enforced. The problem that we have with this particular Motion, at this time, is that each of the *Landlord and Tenant Ordinance*, *Consumer Protection Ordinance*, and the *Fair Practices Ordinance*, is badly in need of revision and updating. In fact, enforcing these outdated Ordinances is only a very small part of the problem.

Just as an example on the *Landlord and Tenant Ordinance*, I had a constituent discuss with me yesterday the problem of the ability of a landlord to give an eviction notice for absolutely no reason. In this particular case, it was very, very well documented, in that the tenant had received a notice of a rent increase. The tenant, being an aware citizen, got a copy of the *Landlord and Tenant Ordinance* and read it and discovered that he had been in the premises for less than one year and therefore, he thought, protected by the *Landlord and Tenant Ordinance*, his rent could not be increased. So, he wrote to the landlord and told him that, and the landlord then evicted him for no reason.

This is not an isolated case, in that, since I have been a Member of this House, this precise situation has come to my attention fully eight or nine times in an individual, specific sense. It is interesting that the law was changed in England in 1933, and in the provinces, albeit after 1933, a long time ago.

These Ordinances were designed to protect the people in a society who do not have as much power as a landlord, a manufacturer or a storekeeper, for example. The consumers of services in society are not adequately protected in the Yukon today. We feel that it is those

reasons that probably motivate a Motion such as this. The wording could be different, to require the Government to update these Ordinances and pass Ordinances with real teeth, however, as the Motion is worded we have no specific objection to it and are in favour of the Motion.

Hon. Mr. Tracey: I have to rise to speak against the Motion.

These laws, the *Landlord and Tenant Act*, the *Consumer Protection Act* and the *Fair Practices Act* are all laws without provision for enforcement. The Member from the Liberal Party said that the *Labour Standards Ordinance* is an Act much the same, but it is not. The *Labour Standards Ordinance* has the enforcement process in it, the Labour Standards officer.

We are bringing in, during this Session, amendments to the *Landlord and Tenant Act* to give it a little more teeth, but it is incumbent on the people to hire Members such as the Member across the floor to protect them. It is not up to the Government to write every law and then enforce every law. The laws are written, and it is up to the people to obtain their own protection. Protection is there for them. All they have to do is have it enforced. We do not believe that the Government should be involved in all of this enforcement. The ability is there for the people to have that protection afforded to them. We would like to see them call upon it.

²⁶ In the case of the *Landlord and Tenant Act*, which we will be changing, we are going to bring in, at least, mediation as part of it. We will go and inspect and see if the problems are there and inform the landlord or the tenant of who is in the right and who is in the wrong. As for enforcing it, and having the person pay a penalty of one type or another, we at this time are not prepared to do that.

Mr. Penikett: I had not intended to get into this debate until I heard the Minister. In fact, I wish he had spoken a little longer, then I would have had time to finish writing my speech.

I think, as my colleague from Whitehorse South Centre said, we can agree with this Motion. However, I do not think the problem is just enforcing these pieces of legislation. It is, as the Minister said, the policy of his Government not to enforce the Legislation. One can respect their right to make such a policy, no matter how profoundly one disagrees with it.

I think though, from my practical experience with these laws, I would have to say that they are, for the most part, bad acts. They are not hard acts to follow at all. We could improve upon them all. In fact, as we know, for the third time this Session, we will be amending the *Landlord and Tenant Act*. We will be tinkering with it, but we will not be, I think, improving it in the substantial ways that have been suggested, from time to time, by my colleague, the Member for Whitehorse South Centre.

I think the *Consumer Protection Ordinance* in the Territory might as well not exist, for all the good it does anybody. The *Fair Practices Ordinance* let me say, is a very primitive piece of human rights legislation. Certainly, it does not even meet the standards in the Canadian Constitution, at the moment.

Certainly, the former Minister of Justice gave indications on a number of occasions that it was his intention to bring forward new human rights legislation for the Territory. We are still waiting to see that, and we look forward to that eagerly.

I will just tell the Minister that in the problems that I have had brought to my attention by constituents in the last year that the law with which there has been the most individual problems has been the *Landlord and Tenants Ordinance*. The problem is not just that it is a very fat and big law, but it is a law that is very confusing in its principles.

It is, as the Minister knows, under certain circumstances, easier to evict someone than it is to raise their rent. It is not a law that enables the ordinary small landlord or the ordinary citizen to clearly understand their rights and responsibilities. It is not a law such as exists in some provinces, where those rights and responsibilities are clearly laid out in lay language. It is not a piece of legislation that includes, as an appendix, a standard lease form, or a standard lease which lays out very clearly so that anybody can understand it, the rights and responsibilities of both the landlord and the rights and responsibilities of the tenant.

²⁷ It seems to me that, given the kind of confusion, the heartache, the

suffering and inconvenience that I have seen people experience this Winter, and the kind of problems that individual citizens have brought to me — and some of them the Minister will know touch on not only the *Landlord and Tenant Ordinance*, but the *Fair Practices Ordinance* — are problems which are not easy to resolve. Given the lack of ability to enforce in the department, they have been problems where simple, inexpensive Government action, or simple, inexpensive changes in the law would have made the situation more clear. I am not a person who believes in creating new programs *ad nauseum*. I think, to state the obvious, programs are expensive. But law is fairly cheap. I think good law is as inexpensive as bad law.

I wanted to say something to the Minister, because I know that we do have a philosophical difference when it comes to this issue. I know the Minister is a person who has a high respect for market power. I do not think that I, or my colleagues, or the Party to which I belong, exist to pay respect to, or to show our faith to, or to give prayers to market power. We have a rather different purpose. I think the history of law, in our culture, in the last few hundred years, has been a steady and progressive evolution from the absolute dominance of property rights towards an ascendancy of human rights.

There is no doubt that just a few hundred years ago property rights were absolute, human rights were nothing. Women were simply the property of their husbands. Children were the property of their parents. If you were an employee, you are the property of that employer. You had no rights. You had no rights as a consumer, you had very few rights as a person. That has changed, commendably. In fact, even this Government has done some commendable things, in respect to matrimony and property law and other things, which are part of that civilizing process of moving to the point in history where human rights take precedence over property rights.

Unfortunately, the three areas that are described in this Motion, the *Landlord and Tenant Ordinance*, the *Consumer Protection Ordinance*, and the *Fair Practices Ordinance*, are three pieces of evidence that that movement has not exactly got an enormous force of momentum here in the Territory.

I do not think I can support the Motion. I think all it really seeks to do is draw attention to the lack of enforcement. For our part, we would prefer to see a rewriting and improvement of these three laws. Simply, what we prefer is a slight acceleration in the process towards the day when the meek shall inherit the Earth, as we have been promised in the Bible, and we want to do our little bit to help it move in that direction.

Hon. Mr. Pearson: That was a very interesting speech by the Leader of the Opposition. However, I would like to point out to everyone that, in fact, he was not talking about enforcement of the provisions of the *Landlord and Tenant Act*, the *Consumer Protection Act*, or the *Fair Practices Act*. He was, in fact, talking about more Government, more Government, and more Government. There really is no such thing, no matter how many times the Leader of the Opposition says it, as cheap or inexpensive Government actions. Any actions taken by Government, because of the nature of the beast, are expensive, very expensive. They are a direct cost to the taxpayers.

He is right in that our philosophy on this side is quite a bit different than his. This is where the big difference is. I think we have a meeting of the minds on many things, but on this one particular issue, I do not think that we will ever be able to get together, and that is how much Government should interfere with the human rights, the everyday rights, the living rights of the people of this Territory. We feel very strongly that it is Government's responsibility to put into place those laws that are required to make sure that people are, in fact, protected. But, in respect to the enforcement of those laws, that is an entirely different matter. We feel very strongly that it is an infringement, by Government, if it assumes the responsibility for enforcement.

Mr. Veale: I am absolutely astounded that this Government suggests that the protection of an individual, and the enforcement of its Legislation, is an interference. I cannot comprehend on how that is an interference on anybody's rights. If a person breaches an ordinance and they are prosecuted for that breach, if that is an infringement then there is really something wrong with the way this Government is enforcing any legislation that it has. Why does it not take the same position with respect to the *Motor Vehicles Ordinance*? It is up to the individual. Go through a red light — you get creamed — it is up to you

to go after that guy and make sure that the *Motor Vehicles Ordinance* is enforced. What about that? Why in Labour Standards do we enforce wage collection? Is that an interference?

I just find it an incredibly grave inconsistency, and there is no philosophical justification on that side of the House.

Is a motor vehicle accident at an intersection more important than an individual who has a home and wants to have some rights under the *Landlord and Tenant Ordinance* enforced? Which is more important? Is racial discrimination less important than somebody making a *Motor Vehicles Ordinance* infraction? I cannot see how the Government could possibly take that position. I am very concerned. The fact of the matter is that if there is prosecution by the Government, under these three Acts, then there will be fewer offences because there will be deterrents in the public's mind. Right now there are no deterrents whatsoever. Do you ask the tenant who is locked out of his house to go out and get his legal counsel when he has been locked out of his house? I find that incredible. The Government has two or three lawyers and they can do two or three extra prosecutions a year that would be involved in this, and the payoff for this Government to enforce its own Legislation would be tremendous.

I challenge you to do that, to do these enforcements. I challenge the Minister to do that. Now I know that he is in a position to vote for this Motion and put me out of business, that is great.

Mr. Speaker: The Honourable Member, having twice spoken, has now closed the debate.

I must declare that the Motion has been defeated. Division has been called. Mr. Clerk, inasmuch as all Members are present, would you kindly poll the House.

Hon. Mr. Pearson: Disagree.

Hon. Mr. Lang: Disagree.

Hon. Mrs. McCall: Disagree.

Hon. Mr. Lattin: Disagree.

Hon. Mr. Tracey: Disagree.

Mr. Njootli: Disagree.

Mr. Falle: Disagree.

Mr. Hanson: Disagree.

Mr. Graham: Disagree.

Mr. Fleming: Disagree.

Mr. Penikett: Agree.

Mr. Byblow: Agree.

Mr. Kimmerly: Agree.

Mr. Veale: Agree.

Mrs. McGuire: Agree.

Mr. Clerk: The results are 10 nay, 5 yay.

Motion defeated.

Hon. Mr. Graham: At this time I would request the unanimous consent of the Legislature to deal with Motion No. 5, found under Notices of Motion.

Mr. Speaker: Does the Honourable Member have unanimous consent?

Agreed

Motion No. 5

Mr. Speaker: We will now proceed to the Notice Paper to Item No. 1, Motion No. 5. It has been moved by the Honourable Member for Whitehorse Porter Creek West, seconded by the Honourable Member for Mayo that the Assembly urges the Government to introduce amendments to the *Yukon Council Ordinance*, respecting the indemnities and expense allowances of Members of the Yukon Legislative Assembly, which amendments would:

(a) set aside the 17.75 percent increase provided pursuant to subsection 40.6(2), and

(b) establish a 10 percent increase to take effect as of April 1, 1982.

Mr. Graham: First of all, I feel I should give Members of this House, as well as the general public, a little background information on how the 17.75 percent pay increase came about. On April 16, 1981, the Rules Election and Privileges Committee, of which I am Chairman, arrived at a pay schedule we felt would stand without any further meddling for some time. I should point out that the schedule was

reached after some heated debate. I think we went through two complete sets of Members, with the exception of the Chairman, during the debate of the pay schedule we felt we should bring in. During the course of the debate about the pay schedule — I do not think that I will be telling secrets outside of Committee — it was brought up by one Honourable Member that we should use as a future model for pay increases, the industrial composite wage index. It was further brought up, to avoid any chance of an extremely high pay increase in any one year, that we should average the industrial composite over a two year period. That way we would knock off the high and increase the lows so we would have a nice even schedule of pay raises that would probably be less than most members of the public and private sector were getting in any one year. We left after two weeks of meetings and one day of concentrated meetings. I can remember listening to eight different Members' comments about what the pay schedule should be. These discussions transcended Party lines. Parties were totally split, almost without question, over what the schedule should be. Everybody went on his own conscience and attempted to find a schedule that was right for all Members. We attempted to bring in some kind of mechanism for increasing pay that would be acceptable not only to all Members of this Legislature, but also acceptable to the public, who are our employees. We left those meetings on April 16, 1981, knowing that we had anticipated all of the possible problems associated with Members' pay. We knew that we would not have to deal with the very distasteful subject, to us anyway, of our own salaries.

31 Not so, not so. We failed to anticipate a couple of things. We failed to anticipate that there was a possibility that the industrial composite wage index would give us an increase in any one year of 17.75 percent. I think it came as a total shock to me, as it did to probably all Members of this Legislature that had sat in on those meetings, that we could possibly get a 17.75 percent pay increase in any one year. We also failed to anticipate that that 17.75 percent would happen during an election year. That was possibly our largest, unanticipated error. I think we probably could have resolved the issue among ourselves, in discussion much like those discussions we had in the Rules, Elections and Privileges Committee, had not, in retrospect, a couple of public statements been made that kind of froze many of us into corners. This Motion of mine was an attempt to find a compromise with the 'no pay increase' position that some Members urged upon us — probably with the best of intentions. I do not doubt that people who were urging a zero percent pay increase did so with a certain amount of good faith on their part, and knowing that they honestly did not believe that we should get a pay increase. I find it very difficult to believe that any of us are looking at our pay increases at this time without at least one eye turned toward the fact that there is an election coming up this year, be it spring or fall. That is the single most unfortunate thing about this whole issue. I hope the 10 percent pay increase compromise I am proposing today is acceptable to all Members. I arrived at that percentage knowing that was the percentage that has been offered to the management personnel employees of this Government. The 10 percent would also be less than the 13 to 13.5 percent already offered to unionized members of the Public Service Commission. Also, I believe that the 10 percent is lower than the inflation rate we have experienced over the last twelve months. Therefore, I believe that not only was 10 percent pay increase a compromise between 0 and 17.75, but I also believe that 10 percent is a reasonable figure that the public will agree with, as well as, I hope, all Members of this Legislature. I propose this Motion with the full knowledge that not everyone agrees with it, but in the interests of getting us off of the subject of pay increases that we will agree unanimously that it is a reasonable number, and that we will limit further discussion on this subject.

32 **Mr. Veale:** I appreciate the manner in which the Member for Porter Creek West has brought this forward, but I must confess that I am in disagreement with him.

Our Party, our caucus, has taken the position that we are not going to take a pay increase this year. I will elaborate on those reasons.

In order that it may not appear to be an election issue, we are going to abide by our decision and instruct the Government not to give us increases should the other Members of this Assembly proceed to vote an increase. Every Member is certainly free to vote, I hope, according to their own dictates, rather than vote in a party way.

We do not hold it against Members who see fit to have the increase. However, our feeling is that there is tremendous economic dislocation in the Territory at the present time. There are a number of people who do not have the luxury of debating an increase at all. The only debate for them is where is the next paycheque going to come from, and I am referring to the workers at Elsa, the workers at Cyprus Anvil, the workers at White Pass, the independent truckers, who have been laid off. Those are people who will take probably years to overcome the financial dislocation that they are now suffering. When you go without a wage for any length of time it is going to be extremely difficult in the long term to be able to get back to the position that you were when those layoffs occurred.

We have received a significant increase, which I was in favour of because I believe that Members of this Assembly play an extremely important role in the Territory and should be compensated accordingly. We are not, at this time, the lowest paid among Members in other Legislative Assemblies in other jurisdictions. So we should not be considering the high cost of living.

I would move an amendment, seconded by the Member for Kluane, that Motion 5 be amended by deleting all words after the words Subsection 40.6(2).

33 **Mr. Speaker:** We have an amendment to Motion Number 5. Moved by the Honourable Member for Whitehorse Riverdale South, seconded by the Honourable Member for Kluane that Motion 5 be amended by deleting all words after the words "subsection 40.6(2)".

Mr. Speaker: Is there any further debate on the main Motion?

Division has been called. Mr. Clerk, as all Members are present, would you kindly poll the House.

Hon. Mr. Pearson: Disagree.

Hon. Mr. Lang: Disagree.

Hon. Mrs. McCall: Disagree.

Hon. Mr. Lattin: Disagree.

Hon. Mr. Tracey: Disagree.

Mr. Njootli: Disagree.

Mr. Falle: Disagree.

Mr. Hanson: Disagree.

Mr. Graham: Disagree.

Mr. Fleming: Disagree.

Mr. Penikett: Disagree.

Mr. Byblow: Disagree.

Mr. Kimmerly: Disagree.

Mr. Veale: Agree.

Mrs. McGuire: Agree.

Mr. Clerk: The results are two yea, thirteen nay.

Mr. Speaker: It would appear that the nays have it and the Amendment has been defeated.

Amendment defeated

Is there any further debate on the Motion?

Mr. Penikett: I have obviously spent much less time in this place than you have, Sir, and I am perhaps only just beginning to get to the point where one has to watch what one says around here.

I had not anticipated that only one line in the middle of a fairly long speech would provoke the Member from Porter Creek East and that it would cause so much fuss. Be that as it may.

It was originally quite a modest proposal that we had discussed with the caucus. I would not have otherwise entered the debate except that the Member for Porter Creek West has kindly provided us with some of the history behind other discussions on this question. I may be able to add a little more to that, just for the edification of Members.

I think that the Members on the other side will admit, and I confess to having been, over the years here, a bit of a puritan on this issue. I think the Chairman will accept my confession that I was a bit hard to deal with the last two times this question came up, because I had originally suggested that we have no increases at all in Committee.

34 In fact, it would be fair to say that there was an absolute logjam at some point on that subject. Mr. Speaker, you will know that I am a fair minded person and a reasonable human being, always willing to be guided by the forces of democracy, and accept the wisdom of my peers. On that occasion, as I have on many others, I deferred to the judgment of, not my betters but, the greater numbers. I think I was able

to make a suggestion that enabled us to get out of the logjam by replacing of all the Members of that Committee with other Members, substituting them all so a new Committee could have a fresh look. That was a sensible way of looking at this thing. The Chairman of the Committee has also pointed out that the formula we ended up being stuck with had been at least partly my fault, and I do not apologize for that, but that is something I will have to confess too. I think it is incumbent on Members, having said that, to remember that it is difficult reporting what happens in Committees. It seems to me you are really violating, potentially, some of the confidences and privileges of those Committees. I want to also point out to Members that once in that Committee, I kicked myself off reached a conclusion, that I, because I was the only Member of my Party in the House, respected the conclusion of that Committee and in fact supported the Motion. That is the spirit today in which my Caucus supports the consensus conclusion. We had made a tougher proposal, but there has been some reasonable discussion and I think parliamentary bodies everywhere operate on a modicum of trust — although in Ottawa there is not much left, but at least in this one most of the relationships are reasonably civilized. I think it is also useful, since we are, as the Member from Porter Creek West said, advising the public about these things, to remind them also what a peculiar kind of industrial relationship this is. I cannot think of any other occupation in which you go through a process of publicly setting your salary for the next few years, and then you reapply for your job. You go through a nomination process which might end up putting you on a short list, and then on election day, the public will decide whether you get to keep the job you were formerly doing. However, you have previously negotiated your salary for it. Unfortunately, many of us may find election day that we are not rehired. That is the fight of this process, and the one thing that I suppose makes me reasonably reassured about the appropriateness of whatever it is we are doing today, is that in the end, and the not too far distant future, the people for whom we work will be able to express a very sharp, precise, and possibly even painful judgment about whether they think we are worth what they are paying.

35 Mr. Kimmerly: I rise on this occasion to express a few, what I believe are, general principles. I am not going to speak about the precise percent or the precise amount of increase or whether there should even be an increase now. I believe it is important to make a few general observations and to make a statement of my principles in this regard.

I remember the Government Leader telling me, when I was first elected to this House, of an eight day debate, I believe, around the acquiring of a table or chairs for the then Council of Yukon Territory. It is interesting, if one studies or reads through the debates of other Legislatures, that nothing seems to be debated quite as hotly as Members' salaries or the physical conditions of their offices or the space for their chairs or those sorts of services. That is perhaps unfortunate, although it must be a fact of life because so many Legislatures over the years have done that. I react to the statement made by the Chairman of the Committee that, "the single most unfortunate thing" is that this occurred in an election year. In his speech, he made reference to an election three times, I believe. Obviously, the voters are interested in this question and the Member is obviously right in making reference to the importance to this kind of issue in the public mind. I wish to state this principle around that. In my view, whether or not it is an election year ought to be completely irrelevant. The public generally believe, in my opinion, that the Members will increase their salaries right after an election but not just before an election. The public generally believe that their taxes would be increased right after an election, but not just before an election. The public perception has some truth to it, if you look at the record of various Legislatures in various countries over the years.

36 I say it is a very unfortunate thing. I say that we could alleviate this problem by recognizing certain principles. One of the things is, and I am moved to mention this because of a radio program yesterday in which there were three callers, I believe, one of whom was myself, who spoke about the exact nature of the salary, or spoke about what our salaries actually were. I was initially moved to call in to that show because there was announced a misstated of fact as to what salaries actually were. I intended to correct that. In fact, I believe that I also misstated, at least in part, the exact nature of salaries. I believe, also,

every single Member who called in, misstated, at least in some respect, the exact nature of the salaries.

I say that it ought to be public knowledge, in every year, whether it is an election year or not, and it ought to be commonly known, what Members of this House make. We are public officials representing our constituents and our constituents have a right to know what we make and why we make that.

There are several very important issues in that statement. One of them involves the symbolic nature of our pay raise. Everybody knows that the unions are negotiating for pay increases. The Public Service is negotiating for pay increases and private individuals are negotiating for pay increases. In one sense, the pay increase that we get is symbolic or, to phrase it another way, it shows some leadership. For example, if we get 17 or 18 percent, the Public Service is going to want the same or better. If we do not take a raise, negotiators will use that as a symbol of restraint, and public servants will possibly be affected, or the negotiations could be effected. That issue is a very real issue to a number of wage earners in the Yukon today. Perhaps the majority of wage earners.

37 I wish to also say that I will make a prediction — although I am not going to put a date on it this time — that in the long term, in the future, we are going to get away from a percentage increase formula because what that does is, if your salary is \$10,000 and you get a ten percent increase, your increase is \$1,000. If your salary is \$50,000 and you get the same ten percent increase, your increase is \$5,000. In the second year the salaries are \$11,000 and \$55,000 and the gap between the people at the lower end of the scale and the people at the upper end of the scale increase, and it steadily increases in a mathematical way and, eventually, that is going to be perceived as ridiculous and as unfair. Eventually some other, probably more complicated, formula is going to be used.

Another general issue that I wish to speak about is that the salary of Members is very, very important to the issue of the qualifications of Members who we do get in this House. If the salary is not a wage that we can live on, or raise a family on, it means that Civil Servants, perhaps, and people without an independent income or a professional business, such as a doctor or lawyer, are immediately at a disadvantage in seeking elective office. The principle of paying Members so that everybody has an equal chance to stand for election ought to be a very important principle in determining the salaries of Members. Otherwise, we will only get, perhaps, professionals or wealthy people in the Legislature.

To pay a decent wage to legislators enables people with a family and wage earners in the less secure end of the scale the possibility to seek elective office, in a practical way.

However, after stating that, I wish also to state another principle. The Yukon has got a relatively small population and if you add all of our salaries together, and mathematically project out a dollar cost per voter which goes to the salaries of elected Members in the Yukon, it is tremendously high and it is substantially over the national average. It is many, many times over the national average, and that is an issue that also must be considered.

38 The principle I wish to state is that, in my opinion, the Legislative function is out of balance, cost-wise, in the Yukon today. It is too expensive. In the long term I hope something is done about that.

Hon. Mr. Lang: I would like to begin by replying to the Member who just spoke. I would recommend that if he resigned today, that would save a fair amount of legislative dollars, and perhaps at the same time it probably would be of benefit to the Territory depending of which point of view you were speaking from.

I would like to refer to a couple of comments that were made earlier. I did not intend to speak to this particular Motion, but I want to refer to my colleague from Whitehorse West who, the other day, made a number of what I thought disparaging and perhaps unparliamentary comments in respect to describing Members on this side, especially in the front bench.

For this particular analogy that I would like — I hope the Member does not take it to heart, but I think perhaps, it would answer his comments of the other day and perhaps be appropriate — to refer to my colleague as Humpty-Dumpty.

It is fine to sit on a fence and it is easy to sit on a fence. One stands up

and tells God, the public, wife and child, "I am not going to take a raise. I refuse to take a raise." On the other hand, "but I am prepared to negotiate".

The Member for Whitehorse West referred trusts. There was obviously a mistake made in respect to developing the formula, in respect to Members' pay, in view of the fact that it was 17.75 percent, getting down to specifics, I believe. I do not think there is any question that any Member in this House would say that that was a dramatic increase for any Member.

Obviously, in my estimation, the place that that should have been corrected was the Rules, Elections and Privileges Committee, because it was the Member from Whitehorse West, with his economic background, that brought forward the formula. It was accepted by all Members, and I take partial responsibility because I was part of the Committee at that time.

I thought it right to index it in a fair-minded way, so that all Members got paid a fair stipend for what they did in respect to their responsibilities in this House. Obviously, it was the wrong formula. If I am part of that Committee and my colleague from Whitehorse West is part of that Committee, you can rest assured that any formula that is developed from the other side of the House, I will examine much, much more closely.

Not saying that he may be wrong, not saying that he may be right. But, obviously, once burnt, one has to reassess the situation.

Taking it further, it really bothers me — and the Member talks about trust and he talks about standing up and the purity of being a Member of office and all these types of things — when we were prepared to negotiate this raise, I take a look and I know the Member is going to take his wage. There is no question about it. Just like he did the last time and the time previous. Just like all Members in this House did, and rightfully so they should.

I do not often agree with the Member for Whitehorse South Centre, but I do believe, and I believe very strongly, that we have to pay enough to not only encourage people to run for office and seek office, but also be prepared to hold office. That means that you have to pay them accordingly. If you do not, then you are cutting off a great number of our population from ever even thinking, let alone making the decision, of seeking office. I do not think anybody in the general public is going to argue the principle that people should be paid, especially in view of the responsibility that one holds.

The Member from Whitehorse South Centre, unlike his colleague from Whitehorse West, speaks of public information. I do not know what could be more open. I recognize the Member is new, and I recognize sometimes that perhaps he is ill-advised, or perhaps he does not do his homework, but our pay, and how we are paid on a monthly basis or an annual basis, is made available to anybody that asks. It is there at the Clerk's office.

It is there to the point that any business responsibilities that one has along with the job that he perhaps has here or any investments, are all there for the public to see as well. I do not know if he feels that he has got a novel new idea, but I wanted to inform him that various other Legislatures have discussed it in the past and previous times — and if the Member wants to come and see me privately, I could probably direct him in the proper manner. The point being is that that information is available to anyone who wishes to see it.

I think, for the record, that should be corrected, because I do not think that really was the intent of the Member opposite — to try to inform the Members of something that perhaps was not in place. I am sure the Member will sleep better for the information that I have provided.

I have to take to task the Member for Riverdale South Centre. It really bothers me when I see a Member stand up and he gives this heart-wrenching speech yet, at the same time, we know and, God bless, it is so, he makes a fair wage in another area of activity that he is engaged in, and I do not begrudge that. All I would like to say, and I hope that I could report to my constituents in Porter Creek East is that the Members opposite who are going to forego this raise are also, at the same time — if one wants to seek a certain type of professional expertise or perhaps a cup of coffee — reducing those prices as well.

That principle just does not apply to Members in this House. I would

like to think that one would not only practice it in their other financial investments, as well as at home. With those few words, I feel that perhaps along with that I have got some good news and perhaps the Member will be able to correct me at a later date to bring back to my constituents.

In conclusion I say this, I think 10 percent is a fair increase in respect to the costs that all Members undergo, just like the general public. At a later date, one is going to have to look at the Legislation in place and, perhaps I should develop the formula this time as opposed to the Member for Whitehorse West.

Mrs. McGuire: My heart really bleeds today because Members across the room, drawing \$50,000 a year, cannot live on that. I realize today that we were given a fairly cheap shot by one Member across the floor who did not allow debate on our amendment, an amendment that set aside, for everyone in this House, any increase.

Mr. Speaker: Order, please. I think that matter has already been decided and perhaps I would caution the Member on the use of Parliamentary language as well. Proceed.

Mrs. McGuire: It was our intention today to ask that no Member accept any pay increase, but, as that amendment was defeated, we now are dealing with the Motion. As my Party Leader stated earlier, the Liberals will not be accepting any pay increase under any circumstances.

It was our intention also to give this Government a chance to demonstrate their sincerity, when they have been saying throughout the week that, because of an economy slump, they would do everything within their power not to place more financial burdens on the Yukon taxpayers. That was one of the reasons.

For another thing, I do not like the idea of public funds being bantered about and used as political campaign issues. Certain Members in this House, without any scruples, saw an opportunity to use the issue of lowering MLA's wages as means of scoring brownie points with the public, not that lowering the percentage rate to any degree was going to make any difference, but it appears to be a lot in the public's eye.

It makes me very angry when people in this House start playing games with my wages. We are all aware here that MLA's and Minister's salaries are matters that are fixed within the Committee of Rules, Elections and Privileges. I am a Member of that Committee. If I remember correctly, those certain Members to whom I am referring, Mr. Penikett and Mr. Graham, were the main instigators of the annual raise for MLAs. My memory is not slow.

Mr. Speaker: Order, please.

Mr. Penikett: The Member is deliberately misleading the House and that is a violation of my privileges and all Members of the House. The facts of the matter are that I opposed the last pay increase. I facilitated an agreement to get the thing out of Committee, but it is misleading the House to want to name a Member, and, more particularly, to identify me for an action to which I had no part. It is a violation of my privileges and, if you rule that my privileges have been violated, I would move, seconded by the Member for Faro, that the matter be referred to the Rules, Elections and Privileges Committee forthwith.

Mr. Speaker: The Chair will take the question of privilege under consideration.

Mr. Graham: On that Point of Privilege, I must agree with the Member for Whitehorse West that he should not have been named. The discussions that took place in that Committee were confidential to that Committee, whether or not he and I — and I might state at this point, I was the Chairman of that Committee — might have expressed an opinion from time to time, I was simply there to facilitate an agreement which was eventually arrived at. I might also add that at no time was it necessary for myself to vote on any question because we agreed as a group. I would also suggest that if the Member for Kluane is not willing to apologize for both myself and the Member for Whitehorse West that this matter be referred to the Committee on Rules, Elections, and Privileges.

Mrs. McGuire: I am trying to think whether I should apologize or not. I do not believe I will.

Mr. Speaker: Order, please. Then, if this be the case, the Chair will take the matter under consideration and come back, at a future time, with a decision in respect of the Point of Privilege as raised by the

Honourable Member for Whitehorse West.

Mrs. McGuire: Any change or motion that comes out of the Committee is voted for. Otherwise it does not leave the Committee room. I just wish to get that across to the Members here.

⁴² I also feel, today, that any changes that are recommended to take place with MLA's salaries should, by rights, and in proper place, be dealt with within the Committee of Rules, Elections and Privileges which is in the mandate of the appointed group.

There is a Motion on this floor today which, indeed, will show the true colours of everyone in this House when the vote is called.

Mr. Njootli: I do not intend to mislead the House, but I would like to comment on the Motion that the House has given unanimous consent to, to discuss this very important Motion. I will speak on some statements made from the last speaker, the Liberal Member, saying that the Government Members are not using the MLA's pay to mislead the public for election purposes. I would like to say to her, and other Members opposite, that because of the issue that was brought up by the front page of one particular newspaper by the Official Leader of the Opposition in regards to MLA's pay, I took the initiative to walk within the public sector and find out exactly what they think of MLA's pay. From the findings I find, amazingly enough, that 60 percent of the people whom I talked with said that ten percent was a good compromising figure, whereas 30 percent said 12 percent. Ten percent, amazingly enough, said no raise.

In regards to the statement made by the Member for Whitehorse South Centre stating that MLA's pay should be made public regularly, I agree with him. I also would like to see lawyer's fees appear regularly. I say that because, in one particular court case in my riding, there was a case where a person paid \$500 for one hour and a half of a court case. Those are outrageous legal fees and, of course, the lawyer did not do a very good job in that particular case.

I should also tell the media and the general public that, on my own behalf, on my personal pay, I would also like to put on record that I agree with ten percent, despite the fact that at various times in the last three years, I used my own personal money to do Government business. That is because of plane schedules. Weather demanding it, I have had to stay certain lengths of time in the city of Whitehorse. The expense accounts ran out, therefore I had to rely on my particular MLA's salary. I pay respect to all Yukoners that I share my personal wages doing business on their behalf.

⁴³ **Hon. Mr. Tracey:** I think I have to rise mainly because I think there has been some misunderstanding in this House, or in the public, that I support a 17.75 percent pay increase. That was not my intention, and the impression I got across to the public. What I was reacting to, was the Members' political move across the floor. The same move as pulled off today, that we should not take any increase. I said that I felt that the public service warranted an increase, and I also feel that we warrant an increase. The cost of living has increased by 12.5 percent and as the Member of Whitehorse South Centre says, if we want to get people that are capable and able and willing to act in MLA's in our Legislature and represent the people, then we are going to have to pay them a fair wage. We cannot continue to rely on business and professional people. We have to give everybody the same opportunity, and we do not do that with the pay schedule we have today.

Yes, it does cost more. It costs more because we have the functions of a Provincial Government with a population of a small city. That does not change the fact that we require those people and if we require them, then we have to pay them. I will support the Motion for a 10 percent pay increase. I realize it is not as much as the increase in the standard of living, but it is a fair compromise. I think that the Public Service deserves an increase and we have offered them an increase. I think we also warrant an increase.

There are many people in the Yukon today who probably would be MLAs, or would have stood as MLAs, if they could get a decent wage. There are Members in this House that need to get a wage in order to do the job that they are doing for their constituents.

Mr. Hanson: I am kind of amazed at the folks in the Liberal Party on this subject because all of a sudden Members across the floor are using this money for an election. The politicians are across the floor. They are all politicians on this side of the House. According to the Lady from Kluane, several times in the last three and a half years she

talked about us politicians. What is this place in here? It is a political arena. She might think it is a zoo, but it is a political arena. People come in here to argue and discuss various things. Let us not kid ourselves, we are all politicians sitting in here. To say we are not, just does not wash.

⁴⁴ As far as the Liberal Leader is concerned, I have listened to him for the short time he has been in the House and thank God it has only been a short time. If in my stead the Omar Khayim had been elected for Mayo, instead of myself, he probably would have listened to the political ramblings of the Member from Riverdale South Centre, and he probably would have likened it to that of a camel breaking wind. A rude noise, that is like wind turbulence, an unbearable stench, but no substance. That, I give you, is the platform of the Liberal Party of the Yukon.

I have been here quite a while. I can remember when I first came here, the Councillors to the Yukon were paid \$300 a year. Then, probably, of all Members sitting in the House, I would suggest that only the Sergeant-at-Arms remembers that day when there were five Councillors and they got paid \$300 a year. They used to go up to Dawson for two weeks a year and the Commissioner told them what he was going to do. He had a nice trip up to Dawson because he could not afford to go any other way. Things have progressed. Now I can safely say that I, and though I have to admit it, the Honourable Leader of the Opposition, probably spend more time in this building having coffee breaks than both Liberal Members do at work.

At a ten percent increase, I do not think that I am abusing the wallets of the citizens in the Yukon.

When I was growing up, I had to go to work at an early age. I do not have the benefit of a profession to help me with living. I do not have the benefit of special ARDA or any other program to help me. I will inform you that my phone bill at this time represents what it used to cost me for groceries before I got elected, and that does not include my power bill. The rate I pay here in Whitehorse would have paid my power bill in Mayo for ten months, for just one month of wintertime. So I do not feel too badly about taking ten percent. I just regret that as a Member of the Committee that came up with this formula, and I do not think we have to apologize for it, it was an honest attempt to come up with a fair way of giving ourselves a raise every year to compete with the cost-of-living, without being too greedy, and give the people a chance to understand what we are doing. There were substantial raises last year in the industrial contracts settled within the Yukon. It is unfortunate that it turned out to be so high. I do not think anybody really wanted to see that high a raise. We figured it might be 7.5 percent which is not bad. The figures came out at quite a bit more than what we thought, and I do not feel bad about taking the ten percent.

⁴⁵ I have listened very attentively to everyone. As part of the team of all that negotiating on April 16th, I have a couple of things I would like to say, and a couple of them are on principle.

I think one of the principles we forget now is, at the time we made that decision, all of us made that decision and we agreed with that decision that day. We agreed with that decision regardless of what people thought when they went into Committee or anything else. In the long run, there was an agreement and it was settled, and that was it.

I realize, as some of the Members have said, that we made, maybe, a small mistake. Due to the high cost of living, and all the rest of it, the wages would now be a little more, and the raise would be more than we thought at time it would amount to.

One Honourable Member, I think, said a while ago that we ought to set an example, and I absolutely agree. In coming down to the ten percent, we are, setting an example. I do not think anybody will disagree that ten percent is not way over what the cost of living has gone to in the last year or two.

Now, there is another principle that I think we should all look at here. I do not think it has been looked at, at all. That is the very fact that when we do anything like this, with wages or anything else, that you are not only speaking for yourselves as an individual, but you are speaking of every other Member in this House. Some of those Members work very, very hard for what they earn — exceptionally hard, and I am not looking at me — because of the difference in ridings, the difference in locality — I am not looking at you Danny.

We have many areas where the MLA — as an MLA, not as a

Minister — works very, very hard, and has a lot of work to do and can make it a full time job.

We have other areas that would be a little bit of a problem to make it a completely full time job, unless he just likes to sit by himself or talk. It would be little bit difficult, or he would be travelling miles and miles and miles every day if he is going to see everybody everyday. So there is a difference, and I think that you should remember that, and remember that some people have good jobs and have an income coming in, and some people might not have.

« I cannot for the life of me believe that anybody would refuse a ten percent if it was not an election year. I cannot believe it. I am not going to believe that it has not been put forward for that reason. I will say to the Honourable Members that if they have not put it forward for that reason there is another way of giving it back, somehow or other, without standing up and mentioning to everybody that you do not want it or are not going to take it. You can find a way.

I cannot believe that it is not an election ploy. I do not care if there is an election tomorrow, or next week, or whenever, I am prepared to go to my constituents and tell them that I took ten percent, when our agreements a year or so ago has said we could have 17 percent, because that is what happened, and I am quite willing to explain why. I am sure that I am not going to get knocked down for it. If I do, then there is something wrong in this old world.

I do not think that I have very much more to say about it. There is just the matter that I was one of the participants in what happened a year or so ago. There is a little more of a raise there, and I do not think that we should take that much. I think we should lead the way by staying down around somewhere where the rest the people are getting a raise. That is it. I am quite prepared to go along with it and I am going to support the Motion.

Mr. Byblow: I think nearly everything on this subject has been said today, and I propose to make the shortest speech in the Legislature on this subject now.

The ten percent increase is in effect a 2.5 percent cut in income, because it would cost 2.5 percent more today than a year ago to live. Anyone who does not want to take the 10 percent tomorrow has the personal option of doing so. I am sure a letter to the Clerk or some other move would do the job. He can go ahead and tell his constituents next week. Any further grandstanding here in this Legislature is purely political manoeuvring, and fundamentally deceitful.

Mr. Graham: I think that the subject has been debated by almost all Members of the Legislature, with exception of a couple of front benchers on this side. It has been interesting for me to listen to.

I attempted in my opening remarks to stay away from any electioneering. I hope that all Members of the Legislature would stick to strictly personal remarks, and much like the Member for Whitehorse South Centre did, state what his principles were. I appreciate that. It does not mean that I agree with him in all issues but I appreciated him stating what his principles were and I just must speak about a couple of things that he did say, because I do not want people to get the wrong impression.

« One was that the Member for Whitehorse South felt that we must get away from the percentage increases. Perhaps he was not talking about us, but, I think it should be pointed out that there is only a \$2,000 difference in Member salaries, indemnities and expense allowances between persons, such as myself, and the Member for Whitehorse South Centre, who are the two lowest paid Members of this Legislature, so we have a certain affinity there, and every other Member's indemnity and expense allowance. This is the only part of our total incomes that are affected by this ten percentage. In other words, all of the Cabinet Ministers who receive \$20,000 as a Cabinet Minister, or the Leader of the Government who also receives a \$5,000 stipend, or the Leader of the Opposition, who receives \$2,500, or the Leader of the Liberal Party who receives an extra \$1,000. None of those sums are affected by this ten percent increase. The gap between myself and the Government Leader is widening only by a mere \$200.00. The gap between the Honourable Leader of the Opposition and myself, whereas it is \$2,500 at the present time, will not widen at all. It will still be \$2,500. I could make comments about that, but I will not.

I think the principle of paying so that everyone has an equal opportunity to stand for an election is an issue with which I do agree with the

Member for Whitehorse South Center. However, it has been said to me several times, in my own constituency, that how can you expect me, as a heavy equipment operator, to give up, in one case, a \$49,000 a year job to run for a seat in the Legislative Assembly and receive only \$26,000. The cut in salary that you expect is prohibitive, and I would not do it. I can see that a professional in business who feels that he has to give up his business interests in order to sit in the Legislature and pay a manager to run his business, would not be interested in taking a position in this Legislature. So, even at the salaries that we are paying at the present time, which seem to be too high for Members of the Liberal Party, prohibit some people from running. That is unfortunate. I will agree with the Member for Faro, though, that the debate, in some instances, did deteriorate to simple election posturing. It is unfortunate that has happened. I discussed it, I think, with the Leaders of all Parties, before this Motion ever came to the House, and I think we all kind of hoped that it would not get to this point. It is unfortunate that it has.

I will say, and I have said it to the Leader of the Liberal Party before, that if he does not want the pay increase, he is going to get it on his paycheque anyway because the Legislation says that he will get it. If he wants to donate it to a reasonably good cause, I have reason to believe that the Guild Hall, which is in my riding in Porter Creek, would be only too happy to accept the \$2,650 a year pay increase that the Honourable Member for Riverdale South Center is getting, and if the Member for Kluane, with her \$2,850 pay increase, wishes to donate it to a Daycare Centre that my children are now attending in Porter Creek, I am sure that they would be appropriately pleased to receive that money. You can give it to me, if you wish. I would be only too happy to act as a conduit for you. I am sure they will appreciate it. They do not consider what the source of the money is. They will not reject it on that basis alone, I guarantee you.

« In conclusion, it was my hope that everyone could vote for this Motion because it was a reasonable compromise. I understand that the Members of the Liberal Party are going to use it as an election issue, so they probably will not. I am happy to see that at least some Members of this Legislature are willing to rise above, shall we say, mere electioneering, and debate on principles. It is unfortunate to know that we have grown to the point that, because I think constitutionally we have been developing fairly well, we get into the bad habits that they have in the House of Commons. I hope that it does not continue. I wish to assure the Members opposite in the Liberal Party that I do not hold any grudges, and I hope that they feel the same way.

Mr. Speaker: I will declare that the Motion has carried.

Division has been called. Mr. Clerk, will you kindly poll the House.

Hon. Mr. Pearson: Agree.

Hon. Mr. Lang: Agree.

Hon. Mrs. McCall: Agree.

Hon. Mr. Lattin: Agree.

Hon. Mr. Tracey: Agree.

Mr. Njootli: Agree.

Mr. Falle: Agree.

Mr. Hanson: Agree.

Mr. Graham: Agree.

Mr. Fleming: Agree.

Mr. Penikett: Agree.

Mr. Byblow: Agree.

Mr. Kimmerly: Agree.

Mr. Veale: Disagree.

Mrs. McGuire: Disagree.

Mr. Clerk: The results are 13 yay, 2 nay.

Motion agreed to

Mr. Speaker: Would you kindly remove from the Notice Paper Item 2, Motion No. 6, as it would appear that it is now redundant.

PUBLIC BILLS AND ORDERS OTHER THAN GOVERNMENT BILLS AND ORDERS

Mr. Clerk: Bill No. 101, standing in the name of the Honourable Mr. Penikett.

Mr. Penikett: Next sitting day.

Mr. Speaker: So ordered.

GOVERNMENT BILLS AND ORDERS

Bill No. 8: Second Reading

Mr. Lattin: I move, seconded by the Honourable Minister of Tourism and Economic Development that Bill No. 8 be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Minister of Economic Development that Bill No. 8 be now read a second time.

Hon. Mr. Lattin: I only have a few brief remarks on this one. This is an Act which we pass annually and it is designed to permit municipalities, especially the municipalities of Whitehorse, Faro and Dawson, to borrow funds to meet their needs in 1982. The amount of \$1 million dollars has been deemed to be sufficient, after consultation with these communities, for all the project demands they will have for this year.

Mr. Penikett: I rise not to object to this Bill, but to, at Second Reading, express one or two concerns about the principle which the Minister may respond to. In 1979, the similar Bill, which was adopted by the House, had a ceiling of \$2.5 million dollars, in 1980 there was a ceiling of \$3 million dollars and in 1981 the ceiling of \$4.5 million dollars for the *Municipal General Purposes Loan Ordinance* for those years. The 1982 Bill talks about the \$1 million dollar figure, and I want to express my concern about this principle to the Minister because I was taking a look at the Association of Yukon Communities list of capital works and local improvements they had proposed last year. I also noticed that the City of Whitehorse had many projects which were never included in capital program submissions to YTG because of the mix of capital money and local improvement financing. I know that we had a \$5 million dollars community assistance program previously in the Capital estimates. I am also concerned about the meaning of \$1 million dollar in aggregate, as that phrase seems to be at the core of this Bill. If it means all municipalities, then it may be rather restrictive because I think in the case of the City of Whitehorse, they may borrow that up front, leaving all the other municipalities to search for loan funding on the open market. The credit rating of some of the newer and smaller communities would be not yet established. Teslin or Carmacks may not have an established credit rating on the private market. As the aggregate sum available to municipalities established by the Legislature, I ask if there should not be some measure to ensure that it is either made available proportionally to all or, to avoid the first two or three applicants depleting the pot with the first right of refusal, to make sure the full amount can be utilized, even if some municipalities have no borrowing needs. Or, perhaps, a process of Government of Yukon loan guarantees for the municipalities to be included to allow municipalities to borrow from the open market on the strength of Government of Yukon guarantee. By-law protection could be provided to protect the Government of Yukon, and in fact the Government of Yukon would not run a higher risk by guaranteeing a loan made by a financial institution to a municipality than it would have by loaning the money directly to the municipality. The municipality, on the other hand, may be able to negotiate a more favourable interest rate if the loan is guaranteed by the Government of Yukon.

The problem, it seems to me, with this Legislation, is that it is not clear what rates we are talking about, if they are going to be preferential rates or if they are going to be set by YTG. We do not really know if this money is going to be based on the needs or on applications from municipalities. What if those needs are in excess of \$1 million and how are priorities set? The Bill is not clear as to the reason for the \$1 million dollar level, especially in light of the amounts approved in previous years. I am concerned also about the impact of this amount on the problem of municipal works generally, and also the period for which it is in effect. I think this is going to affect a number of things in the business of municipal activities and I am not sure I understand fully yet the implications of this Bill with its new dollar amount. If the Minister can, either at Second Reading, or in Committee, whichever he prefers, I will look forward to getting answers to those concerns.

Mr. Veale: I would like to comment on Bill No. 7 and Bill No. 8.

Perhaps it is a very simple explanation, but Bill No. 7 refers to \$10 million dollars for the making of loans to municipalities.

Mr. Speaker: I believe that would be out of order. We are discussing this Second Reading to Bill No. 8.

Mr. Veale: And Bill No. 8 discusses the borrowing of \$10 million dollars. There seems to be an overlap there. Perhaps the Minister could clarify that. Is one just dealing with land agreements and the disposition of land, and this one with municipal works?

Motion agreed to

Bill No. 9: Second Reading

Hon. Mr. Lattin: I move, seconded by the Honourable Minister of Consumer and Corporate Affairs, that Bill No. 9, *Municipal Capital Expenditures Act* be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Minister of Justice, that Bill No. 9 be now read a second time. I should advise the Honourable Minister that if his speech is to be lengthy, perhaps we will call a recess at this time.

Hon. Mr. Lattin: Whichever you desire, Mr. Speaker. I am quite agreeable to have one.

Mr. Speaker: If your speech is short, proceed.

Hon. Mr. Lattin: Since the intent of this Bill has been previously, my remarks at this particular time will be quite short.

The philosophy that this new Legislation is based on what was outlined in the Green Paper that was tabled in the Legislative Assembly during the 1981 Spring Session. The Bill was then introduced in the 1982 Fall Session, and as I indicated at that time the Government was introducing the Bill so that it could be made public, but had no intention of proceeding to deal with the Bill until this Session. This has provided ample time for public input since all interested groups have had several months to consider it.

One of the main principles contained in this Legislation is that there should be a greater political control over Capital Budget. The Legislative Assembly should provide more direction over the Government's Capital spending than is presently the case in the Community Assistance Program.

To accomplish this the *Municipal Capital Expenditures Act* will reduce the number and types of projects that will be considered as basic essentials, which will not be submitted individually for the Legislature's approval. We will also establish maximum amounts for all types of projects so that any project which costs in excess of the prescribed amount will have to be submitted separately to the Legislative Assembly.

With this change, I believe that we are strengthening the Legislative Assembly's ability to adequately control the Capital Budget.

The new *Municipal Capital Expenditures Act* will also strengthen the provisions of the *Municipal Ordinance*, which this Assembly adopted in 1980. It provides that a project must receive adequate planning in advance. The Ordinance will ensure that a community has really reviewed its priorities and has carefully considered the implications of any project, including the communities' ability to adequately name any new facility that they will be requiring.

As stated, when the *Municipal Capital Expenditure Act* was first introduced last fall, this Act is the final piece of Legislation necessary to strengthen local Government in the Yukon. It provides an addition to Capital funding to municipalities and unincorporated communities for specific projects, a totally new dimension for Capital funding to communities.

The Capital Assets Grants will provide communities with the yearly grants for Capital projects with minimal restrictions. These grants will ensure that no small community with a restrictive tax base will be disadvantaged.

Mr. Penikett: I want to speak very briefly to Bill Number 9. We are generally in support of the measure. It seems to be consistent with the Minister's previous undertakings in this regard and generally in line with the wishes of the Association of Yukon Communities.

I will have, when we get into committee, some questions about it. For example, does it allow for general tax repayment, or must the payment be made from local improvement taxes? In other words, hopefully we are not going to get into the situation where we use

frontage taxes to pay for fire halls. My one concern about the Bill is that we do not have enough guidelines in the body of the text for community governments. I would prefer to have seen in the Bill a little more about the establishing of the basic standards, and I am concerned that there is no reference establishing priorities between organized and unorganized communities. I think we have to be sensitive to the Minister's previous positions about incentives to take local responsibilities and to organize local communities. He will recall that one of the many principles in his *Municipal Ordinance* was that you do not get something for nothing. I think I will have some questions, when we get into committee, on that.

There is the idea that it is tied to primary services and that definition is in the *Municipal Ordinance*. I think I like the idea of the projects being line items. We hope to see the practical application of that in coming years, but I think, as a general rule, it is advisable from a Legislature point of view. As I say, we will be supporting the measure but we will have a number of questions, and perhaps even suggestions, in committee.

Mr. Veale: I note that that does not appear to be any reference to recreation. I am somewhat concerned that that is there. There may be a very adequate explanation but that seems to be one of the areas of Capital Expenditure that is most important to all communities. Perhaps, when we get in committee, the Minister can address that.

Motion agreed to

Bill No. 11: Second Reading

Hon. Mrs. McCall: I move, seconded by the Honourable Member for Old Crow, that Bill No. 11 be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Health and Human Resources, seconded by the Honourable Member for Old Crow, that Bill No. 11 be read a second time.

Hon. Mrs. McCall: The measure I am pleased to introduce today is the *Yukon Senior Citizens Income Supplement Act*. This Act provides for additional income supplementation on a monthly basis to those senior citizens in greatest need.

⁵³ Therefore, in Yukon, we will establish a level of guaranteed income for senior citizens above the Federal guaranteed level, which is relative to Yukon cost of living and needs. In fact, the income supplementation system we are proposing now will ensure that all senior citizens in Yukon enjoy an adequate standard of living above the subsistence poverty lines. This Income Supplementation program will be aimed at this senior citizens who are in greatest financial need, and will provide income supplementation of up to \$100.00 per month per person, on a sliding scale, according to the amount of guaranteed income supplement or spouse's allowance received. It will provide the most generous provincial/territory supplementation that were aware of in Canada and yet makes prudent and responsible use of public funds.

I have informed my colleague, the Honourable Madame Begin, about the development and implementation of this program and I have demonstrated to her the willingness, on the part of this Government, to address the range of problems faced by senior citizens. So, too, am I, encouraging her to make improvements to the Federal Income Security program, such as G.I.S. and S.P.A.

Surely, we must all recognize the responsibility of all levels of Government in responding to the needs of our aging population. I plan to implement this Income Supplementation Program for Senior Citizens effective July 1, 1982, and I perceive this program as yet another necessary development in the provision of a wide array of programs and services to respond to the needs of our aging population.

In closing, I would like to remark that, during 1982, the United Nations will convene a World Assembly on Aging. To this end, the year has been allocated for all Governments of the world to study, exchange information and respond to the needs of the aging population worldwide. It is, therefore, particularly appropriate for these improvements and innovations to be introduced at this time, and I look forward to introducing further measures to this Legislative Assembly in order to respond to the needs of our senior citizens.

Mr. Kimmerly: It is not often that we in this Party almost totally agree with the Members on the Government side, but this is an occasion when we can do that. I would like to point out that the concept

of a *Seniors Income Supplement Act* is a New Democratic concept. It was first brought into Canadian Law in the Province of Saskatchewan under a New Democratic Government. It, of course, is a principle that we totally support and, if I may take just a moment, I would like to say, as the representative of Whitehorse South Centre, that there is probably a greater concentration of senior citizens in my riding than any other riding in the Yukon because of the facilities there. I very much welcome this Act and the principle of the Act is something that we totally support.

⁵⁴ **Mr. Veale:** We, too, support this Act and I am also very pleased to support the Minister who will not be running again, as I understand it. I am sure that it must give her great pleasure to bring this in because I know how important she feels the senior citizens of the Yukon are and it is a pleasure to have this before this Assembly.

Motion agreed to

Mr. Graham: I move, seconded by the Honourable Member for Campbell, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Mr. Speaker: It has been moved by the Honourable Member for Whitehorse Porter Creek West, seconded by the Honourable Member for Campbell, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Motion agreed to

COMMITTEE OF THE WHOLE

Mr. Chairman: I call Committee of the Whole to Order. We shall conclude consideration of Bill No. 4 after a brief recess.

Recess

⁵⁵

Bill No. 4

Mr. Chairman: I call Committee of the Whole to Order. We are now considering Bill No. 4, Government Services in the amount of \$521,000, page 33 in your Estimates.

Hon. Mr. Tracey: We have a Supplementary here for \$521,000. \$196,000 of it is due to Computing Services, things such as software for the computers, and for the Handi-Bus, but also because of the transfer of Property Management to the Department of Government Services. \$325,000 on the Capital side was for the purchase of computer hardware for the Queen's Printer.

Mr. Veale: Could the Minister just break down that amount for the Handi-Bus? I would be interested to know what the extra costs are. That, I assume, is the entire Handi-Bus cost for a certain period of months?

Hon. Mr. Tracey: The Handi-Bus costs for the nine months were \$41,000. I should also comment that there are some postage increases in that \$41,000. That is not all for the Handi-Bus. That figure of \$41,000 includes some postage increases, so I cannot tell you the exact figure on the Handi-Bus. I believe it is in the neighbourhood of \$35,000 or \$36,000. I am not positive.

Mr. Veale: The property management function now, as I understand it, has been taken from each individual department and placed under Government Services. Is there a transfer of personnel involved in that? Is that one of the reasons there is a drop in the personnel budget? Is it a major reorganization, is it not?

Hon. Mr. Tracey: Property Management was transferred to the Department of Government Services but, no, the Property Management position that was in Highways and Public Works was left in Highways and Public Works. It looks after the airport function of all our Northern airports. So there was one extra man-year created in Government Services for Property Management.

⁵⁶ **Mr. Byblow:** Could the Minister indicate what is included in the sale of surplus equipment items included in the Recovery detail on Page 46, of \$30,000?

Hon. Mr. Tracey: I do not have the figures. It has \$30,000 here, but I cannot tell you what it is.

Mr. Byblow: Given that it is treated as an O&M item, is that therefore then included in the O&M figuring?

Hon. Mr. Pearson: With the Minister's indulgence, I will attempt to answer it. During the course of the year, we do sell surplus equipment. We estimated at the beginning of the year that we were going to recover \$50,000 in the sale of surplus equipment. We have recovered an additional \$30,000. A lot of that equipment, when it is purchased is, in fact, Capital equipment. When it is sold, it is no longer Capital equipment. The money goes into Operation and Maintenance. There are strict rules in respect to it being sold. It has to go to a Board of Survey first.

Mr. Byblow: I was only trying to clarify in my mind how Capital items became O&M money. I guess the Government Leader has given me an adequate explanation.

I am always curious about computer-related items and I see we have a substantial amount designated under Capital, in the order of \$325,000, for Queen's Printer renovations. I know what those are. I would like a little more explanation on the computer hardware portion, and how much?

Hon. Mr. Tracey: The original budget for computer hardware was \$14,000, and we spent \$229,000, for a total of \$215,000 out of the \$325,000. That is for various computer hardware for the main computer, for things like storage racks. I do not have the exact detail on what it is. I could bring it to the Member. That is what it is. It is for the main computer.

⁵⁷ **Mr. Veale:** Can the Minister give us some idea of what the speed-up and turn-around of cheques is going to be? I assume there is a payoff for all this computerization that we are going into?

Hon. Mr. Tracey: We hope that it will speed it up very much. We have had problems because of lack of experienced personnel and, as soon as we get the Department of Finance on the computer to our satisfaction, it will almost be a punch of the button and the cheques are going to be spewed out. There will be hardly any time lag at all. The only time lag will be the actual punching in of the figures. It is going to reduce the workload on the Department of Finance by a significant amount. The Minister of Finance could probably tell you that better than I can. The computer terminal is in the Department of Finance.

Mr. Veale: There is a decrease in Finance, is there not, in terms of manpower?

Hon. Mr. Pearson: Yes, there is a decrease in Finance. Part of it can be attributed to changing workloads in respect to the computer. The personnel problems that the Minister has referred to are very real ones. I am sure that both he and I will be speaking to them when we come to the Main Budget. It is the area, in the Government, where we are anticipating a larger increase in man-years next year than anywhere else, even, more than the Department of Health and Human Resources, all in that one particular area. We now have in place a very sophisticated mainframe, a lot of computer capability. However, no matter what you might hear or read about computers, the fact of the matter is, they are still only as good as the garbage that is fed in. The computer is garbage in, garbage out. We have to make sure that we are getting the right garbage in. You have to have the people on staff who are able to put that in there.

⁵⁸ **Mr. Veale:** It would seem to me that is an area where we could start some training here at the Vocational School, with some sort of program.

Hon. Mr. Pearson: Both my wife and my daughter are taking the course over there right now in this very subject.

Mr. Byblow: It is the career of the future no doubt. One more question on the O&M side. The Minister has indicated in the Supplementaries that, with the transfer of responsibility for property management, there is some additional increased cost. I am curious about how much, and why there should not have been an internal transfer with the responsibility of funding to go with it?

Hon. Mr. Tracey: It was \$30,000. That is what the transfer cost us. We did not transfer the man year, so the cost of the man year had to stay with this previous Department.

Hon. Mr. Pearson: We transferred the function of property management during the course of the year. In the Budget that Members have been looking at, there is another major transfer that has taken place. We have transferred now, in this Budget, effective tomorrow, the rental money for rent that every Department paid. Previously, it was in each Departmental Budget, now it is all in the Minister's

budget, in Government Services. They have not only the functions, but they have the money now as well. In previous budgets, either Public Works or Government Services carried out the function and the other Departments paid them for doing it. They paid the rent then, too. We discovered that was one of those meaningless allotment transfers which created a lot of paperwork that had to be done during the course of the year that did not mean anything at all. We might as well put all the money there to start with, and that is what we have done.

Mr. Byblow: Is the rent still charged out?

Hon. Mr. Pearson: The rent is charged out, in that each Department knows how much rent they are charged each year. Again, it is one of those things that is done quite easily on the computer. It is a paper exercise. When we are doing program costs, the rent is actually computed into those costs. There is not a transaction now where the money is voted in the program, in the Budget. It will be all voted in Government Services.

⁵⁹ **Hon. Mr. Tracey:** The figure we are dealing with here is not the property rental, it is strictly the salary. Operation and Maintenance.

Government Services agreed to in the amount of \$521,000

Total Supplementary No. 1 agreed to in the amount of \$10,694,000

On Clause 2

Clause 2 agreed to

On Clause 3

Clause 3 agreed to

On Title

Title agreed to

Hon. Mr. Pearson: I move that Bill Number 4, *Fourth Appropriation Act, 1981-82* be reported out of Committee without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that the *Fourth Appropriation Act, 1981-82* be moved out of Committee without amendment.

Motion agreed to

Mr. Chairman: We will now have a two hour recess.

Recess

⁶⁰ **Mr. Chairman:** I will call the Committee of the Whole to Order. I would like to refer the Committee to BMILL No. 5, *Second Appropriation Act, 1982-83*. As you all know we have the green booklet, and I refer you firstly to page 10.

Hon. Mr. Pearson: Thank you very much Mr. Chairman. This is the Operational Maintenance Budget for the Government.

Mr. Chairman: Order please, before I refer you to page 10, I would like a general debate. Proceed.

Hon. Mr. Pearson: Thank you Mr. Chairman. This is the Operation and Maintenance Budget for the Government of the Yukon for 1982-83. The total amount of the Appropriation that we are going to be looking at in this Budget is a \$137,924,000. It is historic and significant. It is the largest Budget of any kind ever voted or considered by the Yukon Legislature.

I would like to suggest respectfully to you and to the Committee that we adopt a bit different procedure in respect to at least the major departments this year, and use the system that is used in all of the Legislatures in Canada, whereby the Deputy Ministers come in as strangers on the floor and sit with the Minister while that Budget is being discussed. I am confident that it would facilitate the discussion, in that the Ministers would be in a far better position to be able to answer some of the more detailed questions immediately, or after short consultation with the Deputy Ministers.

The Budget has been put together, I sincerely believe, with a great degree of responsibility and a tremendous amount of work. We negotiated the transfer payment with the Federal Government last summer and had not been, frankly, too successful in getting any further consideration from them in respect to very rapidly rising costs in the Territory and, as a consequence, we have had to really look hard at how we were going to allocate money for spending this year. I think probably the most significant thing we have done, as Members are aware, we have taken the number of man years that show up in each department, estimate the salaries that are going to be paid in that department for

those man years for the year, and that is the amount of money that has been going to the department, year after year. And then there is this factor, a vacancy factor or underfill, or whatever it might be called.

Overall, in the Government of the Yukon Territory, it averages about ten percent per year. There is nothing significant about that number, it is just a fact of life. There are always approximately 1/10th of the positions in the Government of Yukon that are not filled for one reason or another.

⁶¹ That is an overall average. What we have done this year is looked at, and we have asked the Deputy Ministers to look at, underfill in their departments. We have considered what kind of an underfill factor they might be faced with, or might be living, with during the course of the year, and we have used that money up. We have reallocated that money to places where we thought it could be better spent. We have cut a bit of the discretion that Deputy Ministers normally have in a budget. We have taken that away from them. This has always been there for them to use. If they did not use it for salaries, they could use it for something else. When you start getting to Period Six and Period Nine Variance Reports, it starts getting fairly easy to see where you have money left over in salaries, and how you can allocate it to other things. We have them cut the Deputy Ministers to the bone in respect to this discretionary spending. We have taken that discretion away from them, and we felt this was the year to do it, as it allows us to put emphasis on those departments, particularly Health and Welfare, where we thought we should. We are prepared to be as forthright and helpful as we can with the Budget.

Mr. Penikett: First, I wanted to say something generally about the understanding we will have in respect of the strangers. If I understand the Government Leader's intentions correctly, no Member of this House will call attention to strangers being on the floor. For that to happen will require them to leave. Therefore, such strangers will not be heard in debate, but they will simply be there to advise Ministers who will be the only participants in the discussion. I have no problem with that if that is the understanding shared by all Members. When we were dealing with the Supplementaries, I asked the Government Leader about the appropriate time for me to ask a long series of questions I have about the Capital Projects, and we agreed that that time would be in general debate. It does not follow logically from the information he just gave us, but if he is prepared to answer those questions at this time, that is how I would like to begin the discussion.

⁶² The other day, in the House, the Government Leader indicated some Capital projects that had not yet been approved from last Fall and he gave those...

Mr. Veale: Excuse me, Mr. Chairman, are we going to have General Debate, or are we going to have questions?

Mr. Chairman: We are having General Debate. It also involves questions.

Mr. Veale: Why do not have General Debate and then just have questions?

Mr. Chairman: The Bill has already passed the House, so this is just general. It involves questions.

Mr. Penikett: I will, therefore, be putting some questions, for the record, that I may not expect the Government Leader to provide answers to this instant, but he will, if he cannot answer them now, come back with them. I would like to, in some detail, elaborate now, during this general debate, on my concerns.

We also have heard, in addition to the three projects that may not have been approved, about the capital projects that have been accelerated. I think the one case that I have heard clearly identified is the case of the Porter Creek School, which originally was a three-year project, to be completed in two. I am particularly interested in that because I wanted to connect that later when we get to the Education Estimates, with the school enrolments and the teacher situation, and whether there was, to use the market term, the demand for the school at the moment, apart from the considerations in terms of completing it. When we talked about that acceleration, I wanted to ask the Government Leader, since I had made some public guesses about it previously, where the additional Capital dollars came from for that accelerated completion?

Also, my friend from Faro had mentioned the over-budget liquor

store, for example, which will go over a two year period. Where will the dollars come from for the extra that is needed for that? I would also be interested in hearing from the Government Leader, since I am having trouble adding up the numbers in my own mind, from the records and from the information in Hansard, what projects in the 1980-81 Capital Budget remain to be completed, or had been deferred, if any? That is not completely clear.

I am reminded that, on November 16th last year, the Government Leader told us, "I want to remind Honourable Members opposite that these new projects over \$1,000,000 or more, are subject to Treasury Board approval." In other words we are going to have to be voting this money now and then go through the exercise of trying to talk to Treasury Board into approving, specifically, each of these projects that are in excess of a million dollars. Certainly this one, and the Vocational School and Technical Training Centre, with an end cost estimated to be \$25,000,000, is one that we have to put to the Federal Government for approval. Mr. Pearson said, "Please keep in mind that with all of the new projects — there are four or five in this Budget —", that was at that time last Fall, "that are brand new and we have to go to Treasury Branch for approval." Those are, I gather, the three that were still in limbo, are three of those five.

I think we heard that those were the Haines Junction Sewage Lagoon, the Yukon College Phase I, and the Corrections Centre project, adding up to approximately \$4,500,000, I think, from the Government Leader's memory.

⁶³ We were also told, from time to time, that the Government had no capital funding for certain projects, even though there was the hope held out for some supplementaries. There is some more recent information, I recall, about the Canada-Yukon development agreements, and I wanted to ask about that in the connection with the 1982-83 Capital Estimates. I assume, for those three projects that I mentioned, the sewage lagoon, the vocational thing, the Correction Centre, that were some design dollar spent in the previous Capital Budget, so that there have been some commitments, in some sense, in those projects. Perhaps this can be indicated.

If I add up the numbers, the 1982-83 capital funds plus the sewage lagoon from 1981-82, you end up with \$4.5 million, and I am wondering if it is the same \$4.5 million the Government Leader is talking about? Or, is there another project worth \$1.25 million, such as the Whitehorse Swimming Pool, which has been cut? The Government Leader nods, but I will ask him to elaborate on that later.

The projects, pursuant to the statement last fall, that are new and in excess of \$1 million, four or five in number, still subject to Treasury Board approval, could include any of the following, taken from the 1982 Capital Estimates. There was the Community Assistance program with several line items.

Hon. Mr. Pearson: The \$4.5 million is represented by the Haines Junction sewage lagoon, the Correction Centre and Yukon College. All of the others is pure speculation on the Honourable Member's part. There is no question the \$1.35 million for the Whitehorse Swimming Pool has been cancelled. It has not been done. It is a suggestion of the Honourable Member. We are not making that suggestion at all.

Mr. Penikett: With respect, I am not making any suggestions at this point, I am just trying to follow the numbers. I want to find out, in terms of commitments and votes we have made, where we are in terms of some of the spending. I mentioned the pool. The Mayo administration building, the Government Leader will remember, came in over tender. There is the multi-year program, in terms of the Klondike Highway, which was, I think, voted \$3.3 million dollars. There is Faro Access Road, in terms of 1982-83 budget, less than a million dollars, but in the year following that will be considerably more than a million dollars. There was development agreement money and, I think, there was some mention of some business development capital with DREE. I also recall, going back to November 16 last year, for the Faro dormitory, \$100,000. I wanted to reconcile, if I could, the three projects we are now talking about, and the four or five we were talking about last fall, and what the difference is there? Maybe I could just leave the question at that point and ask if the Government Leader could comment on that.

Hon. Mr. Pearson: It seems to me that the Member has asked one

question, what have we not gotten approval for? I think I have answered that three times. We have not gotten approval from Ottawa for \$4.5 million dollars, represented by the Haines Junction sewage lagoon, the addition to the Corrections Centre and Yukon College.

“We can accelerate some of our 1981-82-83 work. Now, it is done by a means of spending working capital in order to do it. We have approval to do that from Ottawa. We have approval for those projects from Ottawa. Now, when they approve a project, if they approve, for instance, Yukon College at \$25 million dollars, then we know we are going to get that \$25 million dollars scheduled over that program for that project. We are free at any point in time to spend that \$25 million dollars, if we have it to spend, knowing that we will get it on the schedule that they have agreed to pay it to us. Because of the high interest rates and the high cost of money, a number of contractors who had large contracts in the Territory came to us and said, “look, we can actually save you money if you allow us to build this year, if you will allow us to buy this year, and things like this, because prices are going to go up.” We looked at our working capital, and for those projects — the Porter Creek School is the largest one at the moment — we said, “O.K., go ahead.” The school is not really required until next year. We are faced with the conundrum of having the school finished this year. What do we do? Because it is completed, do we leave it empty for a year or do we use it? The Minister has made a decision. I think they intend to staff the school to some degree, and to use the school to some degree this coming year, although it was never planned to be used until the following year. Due to circumstances, that is what happened. We spent the money in 1981-82, but we are going to get that money in 1982-83 from the Federal Government. We have used our working capital, of which we have always had \$5 or \$6 million dollars. The Government decides you have to have that amount of money for a working capital, because there are months in the year when that much drawdown, that we have to be able to pay out. That working capital is used for that, and we hope that we do not have to use it for something else at that point in time. A similar situation was the Old Crow school burning down. We faced immediate expenditures, but we can pay those immediate expenditures in the knowledge that we are going to collect the money, in this case, from the insurance company, at some future date. Nothing has changed in the votes, we are just moving it ahead or moving it back.

The same thing happens with uncompleted projects. If the project is voted to be completed and we do not finish it this year, the money simply goes into next year. It is revoted, and the job is completed. I will bring down for the Leader of the Opposition a list of the accelerated projects that we went through on Capital — it is only in Capital, by the way — and also a list of the uncompleted projects for 1981-82. I am sure all Members realize that we do not start spending 1982-83 money until tomorrow. No 1982-83 capital projects that we approved in that Budget last fall have been started yet. No new projects have been started. We are not allowed to start them until tomorrow.

“**Mr. Penikett:** I thank the Government Leader for his answer and I look forward to getting that statement. I hope he does not feel that I am dwelling on this too much, but he will understand, even from his explanations, I have some trouble following the numbers, and I do not think it is because of any mental deficiency on my part, it is just that they are hard to keep track of.

Let me just explain one part of my concern to the Government Leader. If you just simply compare the 1981-82 Capital with the 1982-83 Capital, you get the large 46 percent increase figure which the Government Leader refers to. However when I compare the 1982-83 Estimates with the Supplementary Capital Estimates the increase in fact is only 12.5 percent, and those discrepancies that I am having trouble with.

Hon. Mr. Pearson: Mr. Chairman, what is going to happen is that that Capital money that we have voted as Supplementaries for 1981-82 are those Capital projects that we accelerated, and therefore we spent about \$5 million on accelerated programs. That will come off of the 1982-83 Capital funds, of course. We will not have that money to spend in 1982-83.

Mr. Penikett: You have \$4.5 million in 1982-83 Capital, which is not yet funded. You have \$5 million, which is accelerated from the previous year. In fact, then, what we have is, if there are no other

accelerations and the other projects remain unfunded, a very modest increase in Capital spending for the 1982-83 year.

Hon. Mr. Pearson: I guess I could dig up the numbers quickly. It is not modest, at all, because what we are only talking about, a loss in actual funds in respect to the amount of Capital money that we got voted, and that seems to be what the Member is really looking for. Over the two years, we are talking about a potential loss of \$4.5 million because the Federal Government has not agreed to these particular projects, at this point in time, but then, they are still not losses because even if they are not recognized or approved by Treasury Board for inclusion in the current supplementaries of the Federal Government, we have put them up again. No we have had to do that with projects. I am sure the Honourable Member realizes that we have been something like five years trying to get Treasury Board's approval for a sewage lagoon at Watson Lake. Now, we have finally got it. Haines Junction has been going on for years and years, someday we will get it.

No, there was a big increase in the Capital Budget from 1981-82 to 1982-83, and all that has happened is that we have spent a bunch of the money in 1981-82 and will not have it in 1982-83.

Mr. Penikett: One last question on the Capital side, and I would like to perhaps say to the Government Leader, and perhaps he could give it as notice to the Minister of Municipal Affairs, we had in the Fall Session \$5 million voted in Community Assistance Programs, and at the time the Minister indicated that he was reviewing the submissions, the AYC in respect to the departmental priorities, and the Minister did not indicate at that time what decisions he had made with the priorities, and I guess my question I would like him to take notice on is, since the three municipalities of Dawson, Faro and Whitehorse, as well as the LID's, have finalized their budgets and expenditures plans for 1982, will the Minister be informing the House what Capital projects money has been dedicated to, and particularly perhaps he could give us a projects list at that time?

“**Mr. Veale:** I would like to say that I am pleased that we are going to have strangers on the floor. I assume that we will start that as soon as we get into the first department. I think that that is an excellent addition to the process, and gets all the answers immediately, rather than coming down later with little pieces of paper. I find the vacancy factor interesting, in the sense that it is laudable as a cost-cutting technique. I would ask the Government Leader whether it is a real saving? I appreciate that it is paper-saving because you can allocate it into a program, but it seems to me that, at some stage of the game, those little jobs that a Deputy Minister had flexibility for, will go undone, or something will happen. There has to be a point at which it is not a saving. Perhaps the Government Leader could comment on that?

Hon. Mr. Pearson: It is true that the little jobs which we have not voted, or the discretionary things that the Deputy Minister perceives as the manager of that particular department, should happen, do not get done. We have to go on the basis that, if you gave the Deputy Ministers in this Government their head and said to them, “What do you think would be best for the people of this Territory to do this year?”, we would not be looking at \$137,000,000 Budget, we would probably be looking at \$237,000,000. It would be easy to spend another \$100,000,000. They would all be rational, reasonable, highly desirable things, but there comes a point where you say, wait a minute, how much do we really want to buy? I think it will create savings because the Deputy Ministers are very cognizant of their Budget. They know that they are held responsible to the Cabinet for their Budgets. When they overspend, if they overspend, they have to answer for that. It is a measure of their managerial skills, something that they could get paid a great amount of money for — whether or not they can live within their Budget. That is what we are doing here. We are telling them that they run the department, for this much money, during the course of the year.

Mr. Veale: The other question is the philosophy of contracting out. It seems to me that, as a cost-effective issue, it is really not all contracting out. It may be, for a lack of a better term, contracting in. Is the Government Leader going to be looking over the year, at all the services, not strictly from the point of view of contracting out, but from the view of bringing some services back, which can be done more effectively and cheaper by Government than outside Government?

Hon. Mr. Pearson: It is pretty hard to say what might be brought back because it could be done more cheaply and effectively by Government. I cannot think of one at the moment that we are considering. I think it is time, in this Government, that we did look at contracting out for some services that are provided by private enterprise. If it is more cost-effective to do that, then I think we should seriously consider doing that. I think that we are at the size now, in this Government, that we have to seriously consider that. It is a growing Government, and unless we really are not too concerned about it growing like Topsy, we do have to start watching this very closely.

We run into a couple of problems if we do not get a handle on this kind of thing while we are at this size. If we allow it to get any bigger, then we really are going to be lacking, and the taxpayers in the Territory are going to be lacking.

Mr. Penikett: Could the Government Leader be more specific about exactly what services they are looking at in terms of potential of being contracted out?

Hon. Mr. Pearson: I do not think that there is any secret. One of the services we are looking at is custodial services throughout the Government. Another is security services throughout the Government. Those are two that come to mind immediately. There may well be others. I have read of a scheme in Vancouver right now. We have a terrible time here hiring computer programmers. In Vancouver, they are no longer hiring computer programmers. They are entering into contracts with the suppliers of computers, for them to supply the computer programmers. Maybe something like that would be something that we would have to look at, at some point in time, as well. If these kind of things are around, we are being irresponsible if we do not look at them. Do not get me wrong. I am not saying that we are going to go into it because, number one, it would have to be cost-effective before we would even consider it.

Mr. Penikett: Could the Government Leader indicate to the Committee when the decision point is going to be in respect to the first two services?

Hon. Mr. Pearson: When we can determine whether or not it would be cost-effective. I have said, since the day that we were elected, that we were an upright Government. We do nothing behind anyone's back. This is a concept that we have thought of, and we have come up front and said that we are going to look into this. Everybody had better know that we are looking into it. We told the unions in November, that early, that this had become a concern of ours, and that we were going to look into it. That is what we are doing. We may, or may not, make a decision. I am confident that Members of the House will be the first to know when we make a decision, one way or the other.

Mr. Penikett: I am not asking a frivolous question. The Government Leader must know what information he has to have before they can come to the decision. Are we looking for a decision a month from now, six months from now, or is this something that may happen at some point when they have adequate information?

Hon. Mr. Pearson: It will be a case of whether we can enter into a scheme like this and whether or not such a scheme can be cost-effective. I do not know whether it is going to be proven that it can be cost-effective here, or whether it is not. It is a fact that a number of Governments do contract out this kind of work. There must be a reason why they do. We are trying to find out what that reason is.

Mr. Veale: Would the Government Leader indicate the number of employees that are involved if we just look at custodial and security people?

Hon. Mr. Pearson: I am told that it is about 60 employees.

Mr. Veale: That is a significant number of employees, in the sense that it is not quite comparable to having Whitehorse Copper shut down. It is a significant number of people. Will the Government Leader be considering, in the cost-effectiveness, whether or not there is going to be a loss because of people being jobless? In other words, it may be cost-effective, but there is a serious transition problem with these employees either moving to the private sector or seeking other jobs. What plans does the Government Leader have for that transition period?

Hon. Mr. Pearson: Once again, I am going to have to challenge the Members opposite to give an indication to when we, as a Govern-

ment, have ever been irresponsible. I am going to have to say, once again, I am surprised that I am having to make these kind of speeches in Committee of the Whole. We have said, time after time, that there will be no undue dislocation of anyone.

Mr. Veale: I am pleased to hear that. How is the Government Leader going to achieve it?

Hon. Mr. Pearson: I do not know yet that I am going to achieve anything. The Honourable Members do not seem to understand. We do not know whether it is going to be a feasible plan. We do not have a plan in place yet, because we do not know, whatever we do, whether it will be cost-effective or not. Surely, we have to determine that first, if that is going to be the criteria.

I have thought of another service that maybe we should look at contracting out. What about legal services, something maybe that should be contracted out.

Mr. Penikett: Would the Government Leader entertain some questions about working capital right now, or would he rather do that later under Finance?

Hon. Mr. Pearson: It is entirely up to the Honourable Member. If he has questions about working capital, he might as well ask them now.

Mr. Penikett: Last year, the Government Leader gave us a figure on what he regarded as an acceptable level for working capital, based on our budgetary position at that time. Has he seen any reason to revise that guideline figure that he had based on the increase in the Budget? I wonder if he could just give me some indication. I am going to give him a number of items and ask him if they affect our working capital position or if they are items that go in and come out of working capital.

For example, we have heard from time to time the Government Leader, in Question Period, talking about money coming from Foothills to cover costs that we had already borne in terms of pipeline planning. When we lent \$1 million interest free loan to White Pass. We talked about the possibility of having to pay back overpayments of income tax revenues. That one fascinated me, because the Government Leader talked about the two-year turnaround on that and, in fact, this year would seem to be the first year in which we would have a turnaround because 1980 was the first year in which we received income tax revenues. We have had to hold a lot of land for quite a while, and there will be interest, presumably, to pay the Federal Government for the loans like that.

Previously, the Government Leader has mentioned the problem of insurance. What happens if you start to have capital costs in the middle of projects that you are committed to, and you start to have overruns? What happens if, because of strike, economic turn-downs, layoffs, whatever, your revenues drop so sharply that your working capital position becomes imperilled? What kind of contingencies come into effect. It occurs to me, to use some bad examples here, that you could have a rash of calls upon your working capital in a sudden historic period in Government. I would like to know, one, how you would respond to that situation, and, two, if, given the new increased levels of the Budget, if the kind of guideline the Government gave us last year is still adequate for the situation?

Hon. Mr. Pearson: I, as the Minister of Finance, feel that we should have a working capital position in this Government of between \$5 and \$6 million dollars. If our revenue projects for next year are accurate — when I say next year, I mean tomorrow, for 1982-83 — and our expenditures are accurate, we will end up, at the end of the year, with about \$4,500,000 in working capital, which I would suggest is probably as close as you are ever going to get. What effects it? Everything. Everything effects working capital. The money from Foothills, that we hope that we are going to collect, goes into working capital. It goes into the Yukon Consolidated Revenue Fund and that becomes part of our working capital.

The million dollar payment to White Pass was out of our working capital. The payback of income taxes, if we have to pay back, becomes a function of working capital. When I say that, at the end of 1982-83, we will have a working capital of \$4,500,000, that is paying back the additional income tax that we may have to pay back during the course of this year. We had some advice from them on numbers, but they are still guessing. They really are two years behind, all the time, in this.

Interest on our land bank loans comes out of working capital.

Conversely, we have working capital in the bank collecting interest. That interest goes into working capital. Overruns on jobs, again, comes out of working capital. That is when you have to make the hard decision. A job comes in and the bid is high, it is the political will to go ahead with that construction project, whatever it might be, because that job has been approved by this House. Very likely there is also a public will in the community that this job should really go ahead. If it is over the Budget amount, then we look at working capital and, if we think that we have enough working capital on hand to spend some of it in respect to that job, then that is when the hard decision is made whether to go or not to go. Once we have spent it, it is lost. We have no way of recovering that overexpenditure. That is really a draw down on working capital, with no chance of recovery. Virtually every bill that we pay and every dollar that we take in in this Government is a function of working capital.

Mr. Veale: A general question about the purchasing policy of the Government, which I assume to be different, in the sense that there is no Northern preference of five percent or ten percent that is applicable. How does the Government proceed in terms of receiving bids, say from Whitehorse, Vancouver and Edmonton? If local bids are, in fact, higher, does the Government use discretion to take those local higher bids if, in fact, there are long term arguments, for example, that there might be better servicing? Is there a specific policy on this?

Hon. Mr. Pearson: We were talking about it in Question Period a couple of days ago. In this Government, on contracts, local contractors have a five percent bid differential. An outside contractor — and we know exactly what a local contractor is — has to be at least six percent or more below the local contractor before he is going to get the bid. That is on contracts up to a \$2.5 million. After that it goes to another number. We do give preference to local suppliers in our purchases. When we first came into office some 75 percent of the purchasing dollars of the Government of Yukon were spent outside the borders of the Yukon Territory. Now, 75 percent is spent inside the borders of the Yukon Territory, and we have done that by making sure that our local suppliers know that we are in the market to buy something. We have done it simply by that means, of just making sure that they know that we want to buy something. They can compete, and compete very effectively.

Mr. Veale: I am seeking the policy statement in terms of how you apply that to local suppliers. With contractors it is clear, but what about goods by local suppliers? Is there a specific policy, with percentages applied in some similar manner to the contractors?

Hon. Mr. Pearson: No, Mr. Chairman, not on supplies. I lost sight of the fact that the Member asked about service. Local service can be a function of the awarding of a supply contract, or may not be. It just about becomes a managerial discretion, and I guess it is part of the manager being responsible whether he going to buy from a local supplier because he can supply services, or is he going to pay something for that service. I would respectfully suggest that in most cases, yes, they are prepared to pay something. Sometimes they are not. Sometimes the cost of that service is too high and if they can actually buy it outside, they may do so.

Mr. Penikett: If I could just go back briefly to the line of enquiry I was pursuing before. I asked the Government Leader about his confidence with the present guideline he had about working capital and in fact he talked about between \$5 and \$6 million. Last year I think he talked about \$5 million. I asked the question because it occurs to me that it is at least within the realm of possibility that we could have a year where our working capital was, say, down around \$5 million, that we get hit with a whole series of things at once. Local tax revenues come in at least then \$9 million, we have to pay the feds, say, use a figure of \$1 million interest on land, and then all of a sudden we had a call for an overpayment of income tax of, say, \$5 million. What would the situation be in terms of the Yukon Government?

Hon. Mr. Pearson: I hope it never happens, but we would have to go to the market and borrow money, or declare bankruptcy, but we cannot declare bankruptcy. In fact, this happened to the Government of the Northwest Territories during the past year — not that they had to declare bankruptcy, but they had to go to the Federal Government and borrow more money. The Federal Government has said to us that they do not want us to come to them to borrow money in the future. They

want us to borrow on the market. We have said that we are a responsible Government and we will do that in the future. Our experience in this Government has been that when it comes to drawdowns, there is a fair degree of flexibility. The Federal Government may have a drawdown for income tax upon us, but at the same time, we have a drawdown against them for something else, for Capital payments or O&M financing, or something like that. I do not ever anticipate that we would have to one day, all of a sudden, declare that we have no money and the Federal Government is knocking on the door asking for it. That does not happen in the financing that goes on between the Territory and the Government of Canada. There is a fair degree of cooperation and understanding. We carry a lot of debt for them, and they carry a lot of debt for us. It is our experience that \$5 million is a good safe number. We do not have a month in this Government where we have to pay out that much. That, of course, is the criteria for working capital. As long as you do not have a month when you have to pay that out and you are working with a balance of somewhere in the neighbourhood of \$5 million, then everything should be all right.

Mr. Veale: Getting back to the purchase of goods. Would it not be a wise move for the Government to establish a bid differential or a Northern preference for goods of a major character in the \$100,000 category, so that a local supplier for any heavy equipment like that would get the same preference as contractors who are bidding on similar amounts?

Hon. Mr. Pearson: The only thing I can think of in that category would be heavy road equipment and all of that, in fact, is bought locally, and always has been because of the service that is provided. We are not that big a buyer.

Mr. Kimmerly: I would ask the Government Leader to categorize the payments under the Established Program Financing line in the Estimates. There is approximately \$6.25 million in payments from the Federal Government to the Territory under Established Program Financing. For what reason are the feds paying that money. Under what programs, and what amounts in what programs, according to the Federal Government's interpretation of the figures?

Hon. Mr. Pearson: The Honourable Member mentioned to me that he intended to ask this kind of a question, and I am going to have to be careful how I answer it. I hope that the Finance Department of the Government of Canada does not read our Votes and Proceedings for today, because we do quite well by Established Program Financing. However, if it does get cut back, and it seems inevitable, and we are not able to successfully renegotiate a like increase with the Department of Indian Affairs and Northern Development to offset that cutback, we could be in a lot of trouble. Where we would be in a lot of trouble is in the delivery of health care and post secondary education. Those are the two major functions that EPF are paying for. It is a provincial program that we sort of got tacked onto as an afterthought, we being the Northwest Territories and Yukon. Yukon and Alberta are the only two jurisdictions that are getting caught in this first cut, and it is simply because of the richness of Alberta and Yukon, on a per capita basis. When the Federal Government looks at takehome pay, employment and this kind of thing, Yukoners are very well off, very wealthy, and so are Albertans. They look at the up-payments and they draw a line and on a graph. It is a very interesting thing to see happen. There is Alberta the highest, Yukon just behind them, and everybody else a way down. So they draw this line across it and say they are going to cut off all of that. It catches us and it catches Alberta. This first cut is actually going to do that, it is going to catch Alberta and it going to catch Yukon. We have the capability and the probability of being able to renegotiate that money. When the Government of Canada decided they were going to do this, they established a Parliamentary Committee that traveled across Canada and met in all the provinces and both of the Territories, and talked to the Governments about EPF payments and what would happen in each of the provinces and each of the territories if in fact these payments were cut. Their report, when they got back to Ottawa, sat down and wrote it and tabled in the House of Commons, recommended that in spite of the fact they knew at that point in time that on this average, Yukon was going to come up very high, but there was a strong recommendation that they not cut EPF payments to this Government.

Mr. Veale: Because of the size of our population and our small taxation base,

that money is so important to us. Now, I am sorry I cannot say exactly how much EPF is allocated to post-secondary education, and how much is allocated to health care delivery, and so on, because our financing with the Government of Canada has become such that it has become lump sum payments. Everything gets lost in the shuffle and we really do not know what the allocation is anymore. We get these EPF transfers from Government of Canada as a payment.

Mr. Kimmerly: That raises several questions, but first of all, on the lump sum payments, or the payments from the Federal Government, the Government Leader stated that he cannot say what proportion of that money is in various categories. I wonder if he would clarify two questions. The first one is, is the reason why Government Leader cannot say that, because he will not say that or that he does not know that figure? The second question is, if the Government cannot or will not make public the allocations in the Yukon account, is it possible to discover the allocations in the Federal accounts, in that the Federal Government are obviously paying money for certain reasons, or, they believe for a certain reason, is it possible to identify of those accounts which are already known to the Federal Government?

Mr. Chairman: There were several questions there. I will give the Government Leader ten minutes to answer the questions, and call a recess.

Recess

Mr. Chairman: Is there further debate from the Committee?

Hon. Mr. Pearson: The Member for Whitehorse South Centre asked me a question in respect to Established Program Financing and Extended Health Care, prior to recess. As I stated earlier, it is just physically impossible for us to identify exactly how much is allocated under each of these two programs, for each of the various areas that it is given to us for, because the Federal Government does not identify it either. We are cognizant of the fact that they have this problem, not only here, but everywhere in Canada. It really is impossible for us to break down that \$6,273,000, program-by-program.

Mr. Kimmerly: I have two other general questions but, first of all, following the Government Leader's answer, so that I understand the Yukon Estimates, is it accurate to say, or true, that in the departmental estimates, for example, under Education, there is a recovery under EPF attributed to the Department of Finance, but it does not appear as a recovery under that Department? Is that an accurate statement?

Hon. Mr. Pearson: Yes, that is one of the very confusing areas of our budgeting procedure. I am sure that the Member does understand that correctly now. If you go to page three and the Financial Summary, under Revenue and Recoveries, those two number are broken down, department-by-department, but the EPF and the transfer payment are not. They cannot be.

Mr. Kimmerly: The Government Leader said we could be in a lot of trouble, and I do not want to do that for the Yukon, but I would ask a question. The 1981-82 forecast is approximately a million dollars lower than the 1982-83 Estimate. There is a 19 percent difference. Is the 1982-83 Estimate already negotiated with the Federal Government, or is it possible that that money could be cut?

Hon. Mr. Pearson: Our 1982-83 Estimate is the amount of money that we have negotiated with them for this year.

Mr. Chairman: I assume that that is the conclusion of General Debate.

On Clause 1

Clause 1 agreed to

On Yukon Legislative Assembly

Mr. Chairman: I, therefore, ask Committee to go to page 10, under the Yukon Legislative Assembly. We have three different programs there. We shall consider the Yukon Legislative Assembly in the amount of \$802,000. On page 12, we have a breakdown of that.

Hon. Mr. Pearson: The Clerk, who is the responsible person for this particular vote, has joined us and chooses to sit at the table. I guess he does not want to sit with me. That is all right. We will whisper back and forth.

The increase in the Legislative Assembly is attributable to salary increases, to the MLA researchers' increases, some increase in tele-

phone costs. Elections is listed as a separate item. That is a major increase in the vote. Primarily, what we have done is try to look at what the actual costs might be and have tried to estimate those, for this forthcoming year, as close as possible. A general cut was that we budgeted last year for 50 days of Sitting and, finding that it was not necessary, budgeted this year for 40 days of Sitting instead.

Mr. Chairman: I would ask the Committee Members to restrict their questions to the \$773,000 under Legislative Assembly on page 12.

Mr. Veale: Are we having General Debate before we go into the details?

Mr. Chairman: General Debate on the department itself.

Mr. Veale: My concern on the department itself is that, although it appears to be a substantial increase, it is clearly an increase around election expenses, for obvious reasons, to the tune of about \$312,000. My concern is, in speaking generally, that there are substantial cut-backs to the Clerk's Office and to the Legislative Committee system. This is an area that I think we all believe is extremely important, because it was the area that we embarked upon last spring. We have had three committees in 1981-82: the Food Prices Committee, the Wildlife Committee and the Employment Standards Committee and Occupational Health and Safety Committee. The system has some flaws but, generally speaking, it has produced a lot of useful input from citizens and, of course, it has provided a lot of useful work for MLAs, as well. The Food Prices Committee alone, as I recall, came in around \$30,000 to \$35,000, in terms of expenses. This 1982-83 year, the Legislative Committees are budgeted at \$12,000.

My concern is that we are reversing the trend that we had started, which was to have a full-scale committee system and take Green Papers, or, better yet, take Legislation. I think the idea of taking Papers leaves a lot to be desired. It is far better to deal with Legislation directly, as in the Wildlife Committee.

Would the Government Leader comment on that? Are we seeing now a serious curtailment of the committee system, which we all felt has been a very advantageous thing for the Assembly?

Hon. Mr. Pearson: The Member is correct. We have cut back seriously in respect to Legislative Committees, primarily because it is one of those items that is virtually impossible to budget for. I do not care how clairvoyant you are, you cannot tell how many Legislative Committees there may be during the year, whether there will be any, one or ten. I think it can be something that should be an onus on this House to consider, when we are setting up Legislative committees, where the money is going to come from to pay for them as well. What we have done, specifically, is cut back on the travel expenses from \$11,000 to \$7,000. We have increased the advertising from \$400.00 to \$1,000. We have cut the legal service and research assistance to those committees from 11,000 down to 4,000, so that is primarily where the changes have come in committees, but if we do establish a special or select committees or standing committees to do some of this work, we must be aware as responsible legislators that in fact we are going to have to determine where the money is going to come from.

Mr. Veale: It seems to me that with the Wildlife Committee when we took a piece of legislation and worked on it for two or three weeks that we in fact saved money, in terms of the amount of expense involved in keeping the Assembly going, as opposed to keeping the actual committee running, and that is why I have some difficulty with the Government Leader's position that he is not sure what is going to be coming because I thought they were sort of a clear plan that there was going to be human rights legislation, for example, to be put on the Select Committee plate this spring. Has there been some change in plans?

Hon. Mr. Pearson: I have no argument with the Member that very likely we save money by having the Committee work on the Wildlife Legislation while the House did not sit. There may well have been a saw-off on money there. As far as I am concerned, that is doing it responsibly. Because the money is not voted, is not an indication that we do not foresee these committees having to work, except that we cannot possibly foresee it all. The Clerk is in absolutely no position, nor, respectively, am I, to determine whether the House is going to want to have a Select Committee working or not. Now, if the House determines that it wants a committee to work, then it does that in full

view of the fact that we are going to have to pay for it. We did it last year. We will do it next year. It is the kind of thing that does in fact show up in the Supplementaries.

Mr. Penikett: Just in passing, I want to say something on this question of committee activity. I suppose I have been as active on committees as any Member of the House, and I suppose I think Mr. Graham or myself have been on most of them since this House has sat, and I generally share the positive view as to their usefulness. I also recognize that I think it is extremely difficult to forecast accurately the needs of the Committees. Some Member — I forget who it was — presented a Motion to the House to create the Food Committee, and some other Member of the House to create the Constitution Committee. It would have been very hard to budget for those from the Government's point of view, especially since these ideas originated elsewhere. However I think it is only upon reflection a great distance that you can really come to some kind of solid judgment as to the value of one committee or another. I think that of the committee work that I have been involved in, the House Public Accounts Committee has been probably the best time that I feel I have spent here, no matter how long or short it will be. Some of that committee work is more expensive than others, obviously, like the Food Committee. If you go on the road it costs a fortune, and if you end up hiring research assistants it costs a lot more than if the Committee Members just exploit unmercifully the clerk staff. But there is one thing that does occur to me that is fairly obvious about this situation, and I would think that we are in a very difficult position here, anyway. We do not know when an election will come. It may come very soon or it may come in the fall. In either case, the likelihood of there being the same kind of committee activity in this period I think is shrunk somewhat, and the other thing is that it is an absolute impossibility for us to anticipate with any kind of certainty what the next Legislature, whatever its composition, will want to expect of committees.

⁹ I am not prepared to argue a great length about this, because I think we all understand if there is some overwhelming need for some committee activity of some kind, we will have to bite the bullet and say that it is a justifiable expense.

Mr. Veale: That Legislative Committee's \$12,000 estimate, is that to include Public Accounts, Rules, Elections, Privileges, Statutory Instruments, Select Committees, the whole works?

Mr. Chairman: We are not on that yet. I was going to inform the Committee that we are now considering the total amount of \$1,340,000, which you see on page ten. Now that the general debate on the department is over, I would like to refer the Committee to page 12, the \$802,000 for the Yukon Legislative Assembly.

Mr. Veale: Is it a fact that the Legislative Committees include the Public Accounts Committee, the Statutory Instruments Committee, the Rules and Elections Privileges and the Select Committees that may be set up in the course of the year?

Hon. Mr. Pearson: Yes.

Mr. Veale: It seems to be a totally unrealistic figure, even if one takes Public Accounts and Statutory Instruments, alone, being that they meet with Legal Council. Is that not a totally unrealistic estimate of committee expense?

Hon. Mr. Pearson: In respect to legal services, there is still \$4,000 there in that particular \$12,000. We are not saying there are no committees or that committees are not going to sit, but certainly all Members of the House have to be cognizant of the fact that before we get around to the winter season, when most committees do sit in this Legislature, there will be an election.

¹⁰ **Mr. Penikett:** If I am permitted at this point, I would like to ask a question about the Elections item. It is not very much above the expenditure of four years ago. Is this really an accurate estimate of the probable expenses in the General Election?

Hon. Mr. Pearson: It has to be an educated guess on the part of Mr. Clerk. I suspect that when he came up with this educated guess, he considered very seriously the kinds of expenses that were incurred in the last general election in the Territory, which was the first general election that this Government ran. I am confident that he learned a few tricks and shortcuts, and ways and means of saving money. The increase is only eight percent, so I am confident that the Clerk has tried to be as realistic as necessary in respect to this item.

Mr. Veale: Back to Legislative Committees and the Assembly, if I understand the Government Leader correctly, the number of Assembly sitting days has been reduced from 50 to 40, and we have reduced the Legislative Committee to \$12,000. It seems to me that this particular estimate is caught in a grave inconsistency because the less we use Committees, the more you are likely to use the Legislative Assembly, as the Government Leader agrees. It seems very unrealistic to have these items cut so substantially.

Mr. Chairman: Mr. Pearson, just before you answer, I anticipate this is going to be a long drawn out Budget session in the Committee of the Whole so we might as well do it in an orderly fashion. I notice that during the last couple of minutes that Opposition Members are asking questions that are related to page 14, under Elections, and page 13 which is Clerk of the Assembly. I would kindly ask the Members to restrict their question to the \$802,000. When you do that, it is made up into three parts, the Yukon Legislative Assembly, Legislative Committees, and Commonwealth Parliamentary Association. So, if you ask specific questions, could you kindly ask these questions in that manner so the answer could be pertinent.

Hon. Mr. Pearson: I respectfully suggest that the Member for Riverdale South expressed an opinion. I do not think he asked me a question, and I do not have any answer for his opinion.

Mr. Veale: Perhaps the Government Leader could elaborate on the Commonwealth Parliamentary Association, in terms of what is anticipated there. Will it be the annual meeting once again, and where is it going to be? Is that more of the annual dinner we have each year?

¹¹ **Hon. Mr. Pearson:** During the course of the last year, in addition to all of the other Commonwealth Parliamentary Association expenses that we have as a member of the Commonwealth, we took two extra-curricular trips, in the Legislature. One to Juneau and one to Victoria. Travel expenses are going up considerably. The meeting of the Canadian Parliamentary Association this year is going to be in the Northwest Territories. It is going to be a rather unique experience, in that it is going to cover various areas of the Northwest Territories, and then everyone getting together in Yellowknife, in the final analysis. I hope that we, as a Legislature, are able to send a full delegation to that.

Yukon Legislative Assembly in the amount of \$802,000 agreed to On Clerk of the Assembly

Mr. Chairman: May I refer Committee to page 13, where we shall consider the Clerk of the Assembly to the amount of \$226,000.

Mr. Penikett: At first glance, this looks like a fairly sizeable reduction in the Clerk's Budget. One would even, at first glance, worry that it might mean a reduction in staff. Could the Government Leader elaborate a little, for the record, on the intentions there?

Hon. Mr. Pearson: The major reduction is the rent money which, in previous years, has been allocated to the Clerk's Office for the rent in this building. That money has now been transferred to Government Services. There is a transfer of the cost of the Hansard operation. Because it is a Government Service, that, too, has been transferred, save and except for some \$6,000 that is still considered to be an expenditure of this office.

Mr. Veale: I do not wish to be repetitive, but I am not clear on the decrease of approximately \$76,000 in the Clerk's Office. Where are the cuts going to be felt in that? Is it going to be in committee support? Where is the cut going to be felt?

¹² **Hon. Mr. Pearson:** The transfer of rent amounts to \$92,100. It is all rent.

Mr. Penikett: Just for the record, I asked a question about the man-year allocation for the Office. Could the Government Leader speak to that question?

Hon. Mr. Pearson: There was a cut of one-quarter man-year for some typing services while we were in Session.

Mr. Penikett: I gather that that means that the Clerk is going to lose his right arm?

Hon. Mr. Pearson: No. We never did use the position. We had it but never used it.

Clerk of Assembly in the amount of \$226,000 agreed to On Elections Program

Mr. Chairman: I refer Committee to the Elections Program in the amount of \$312,000.

Mr. Veale: I think I missed this, but what was the cost of the 1978

election?

Hon. Mr. Pearson: To the best of our calculations it was \$275,000.

Mr. Veale: Presumably, there is going to be a substantial saving, if one considers the inflation that has taken place over those four years. Is the saving in the fact that we have done one before? Is there going to be a reduction in personnel? What is the thinking on that?

Hon. Mr. Pearson: I would suggest that there is going to be some saving because we are going to know better what we are doing this time. We will not have to hire people with the great expertise that we had to hire last time. We brought in an Elections Officer from Alberta for that election. Also, we have spent some \$42,000 this year, a large portion of that on forms, and this kind of thing, that are going to be required for the election, that had to be bought for the 1978 election in that \$275,000.

¹³ *Election Program in the amount of \$312,000 agreed to*

Yukon Legislative Assembly agreed to in the amount of \$1,340,000

Mr. Fleming: I move, seconded by the Honourable Member for Hootalinqua that Mr. Chairman report progress on Bill No. 4 and 5, and beg leave to sit again.

Mr. Chairman: It has been moved by the Honourable Member for Campbell, seconded by the Honourable Member for Hootalinqua that Mr. Chairman report progress on Bill No. 4 and 5 and beg leave to sit again.

Motion agreed to

Mr. Fleming: I move, seconded by the Honourable Member for Hootalinqua, that Mr. Speaker do now resume the Chair.

Mr. Chairman: It has been moved by the Honourable Member for Campbell, seconded by the Honourable Member for Hootalinqua, that Mr. Speaker do now resume the Chair.

Motion agreed to

Mr. Speaker resumes the Chair

Mr. Speaker: I will now call the House to Order.

May we have a report from the Chairman of Committees?

Mr. Njootli: The Committee of the Whole has considered Bill No. 4, *Fourth Appropriation Act, 1981-82* and directed me to report the same without amendment. Further, it has considered Bill No. 5 *Second Appropriation Act, 1982-83* and directed me to report progress on same and beg leave to sit again.

Mr. Speaker: You have heard the Report of the Chairman of Committees. Are you agreed?

Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure?

Mr. Fleming: I move that we do now adjourn.

Mr. Speaker: It has been moved by the Honourable Member for Campbell, seconded by the Honourable Leader of the Opposition, that we do now adjourn.

Motion agreed to

The House adjourned at 9:25 p.m.

The following Sessional Papers were Tabled Wednesday, March 31, 1982:

82-5-7

Yukon Resident Hunter's Opinion Survey - 1981

82-5-8

Report of the Standing Committee on Public Accounts, March, 1982 (Vol. 3)

